
State:	District of Columbia	Filing Company:	CareFirst BlueChoice, Inc.
TOI/Sub-TOI:	H21 Health - Other/H21.000 Health - Other		
Product Name:	BlueChoice Open Access/BlueChoice Plus/HealthyBlue - ON-EXCHANGE		
Project Name/Number:	DC BC IND64- ACA ON-EXCHANGE /1968		

Filing at a Glance

Company:	CareFirst BlueChoice, Inc.
Product Name:	BlueChoice Open Access/BlueChoice Plus/HealthyBlue - ON-EXCHANGE
State:	District of Columbia
TOI:	H21 Health - Other
Sub-TOI:	H21.000 Health - Other
Filing Type:	Rate
Date Submitted:	06/13/2014
SERFF Tr Num:	CFAP-129554176
SERFF Status:	Assigned
State Tr Num:	
State Status:	
Co Tr Num:	1968
Implementation	01/01/2015
Date Requested:	
Author(s):	Todd Switzer, Brad Boban, Shane Kontir, Cory Bream, Michaela Berry
Reviewer(s):	John Morgan (primary), Beichen Li, Alula Selassie
Disposition Date:	
Disposition Status:	
Implementation Date:	
State Filing Description:	

State:	District of Columbia	Filing Company:	CareFirst BlueChoice, Inc.
TOI/Sub-TOI:	H21 Health - Other/H21.000 Health - Other		
Product Name:	BlueChoice Open Access/BlueChoice Plus/HealthyBlue - ON-EXCHANGE		
Project Name/Number:	DC BC IND64- ACA ON-EXCHANGE /1968		

General Information

Project Name: DC BC IND64- ACA ON-EXCHANGE

Project Number: 1968

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact: 13.4%

Deemer Date:

Submitted By: Shane Kontir

Status of Filing in Domicile:

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Individual Market Type: Individual

Filing Status Changed: 06/16/2014

State Status Changed:

Created By: Cory Bream

Corresponding Filing Tracking Number:

PPACA: Non-Grandfathered Immed Mkt Reforms

PPACA Notes: null

Include Exchange Intentions:

No

Filing Description:

This filing contains the rate proposal for the portfolio of benefits to be offered by CareFirst BlueChoice, Inc. to Individuals Under 65 on the D.C. Exchange. We are submitting 11 benefit plans on the D.C. Exchange.

Company and Contact

Filing Contact Information

Brad Boban, Senior Actuarial Assistant

10455 Mill Run Circle

Owings Mills, MD 21117

brad.boban@carefirst.com

410-998-6230 [Phone]

410-998-7704 [FAX]

Filing Company Information

CareFirst BlueChoice, Inc.

840 First Street NE

Washington, DC 20065

(410) 581-3000 ext. [Phone]

CoCode: 96202

Group Code:

Group Name:

FEIN Number: 52-1358219

State of Domicile: District of
Columbia

Company Type: Health

Maintenance Organization

State ID Number:

Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

SERFF Tracking #:	CFAP-129554176	State Tracking #:		Company Tracking #:	1968
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Project Name/Number:	DC BC IND64- ACA ON-EXCHANGE /1968				

Rate Information

Rate data applies to filing.

Filing Method:	SERFF
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	%
Effective Date of Last Rate Revision:	01/01/2014
Filing Method of Last Filing:	SERFF

Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
CareFirst BlueChoice, Inc.	Increase	13.400%	13.400%	\$6,925,659	17,800	\$51,631,268	24.100%	2.800%

State: District of Columbia
TOI/Sub-TOI: H21 Health - Other/H21.000 Health - Other
Filing Company: CareFirst BlueChoice, Inc.
Product Name: BlueChoice Open Access/BlueChoice Plus/HealthyBlue - ON-EXCHANGE
Project Name/Number: DC BC IND64- ACA ON-EXCHANGE /1968

Rate Review Detail

COMPANY:

Company Name: CareFirst BlueChoice, Inc.
 HHS Issuer Id: 86052

PRODUCTS:

Product Name	HIOS Product ID	HIOS Submission ID	Number of Covered Lives
BlueChoice	86052DC040		4739
BlueChoice HSA	86052DC041		7114
BlueChoice Plus	86052DC042		1301
HealthyBlue	86052DC043		4646

Trend Factors:

FORMS:

New Policy Forms: DC/CFBC/EXC/2015 AMEND (1/15), DC/CFBC/DB/HMO/INCENT (1/15), DC/CFBC/DB/POS IN/INCENT (1/15), DC/CFBC/EXC/HMO HSA/4000 BRZ SOB (R. 1/15), DC/CFBC/EXC/HMO HSA/6000 BRZ SOB (R. 1/15), DC/CFBC/EXC/HMO HSA/SIL SOB (R. 1/15), DC/CFBC/EXC/HMO HSA/SIL 74 SOB (R. 1/15), DC/CFBC/EXC/HMO HSA/SIL 88 SOB (R. 1/15), DC/CFBC/EXC/HMO HSA/SIL 95 SOB (R. 1/15), DC/CFBC/EXC/HMO/GOLD 0 SOB (R. 1/15), DC/CFBC/EXC/HMO/GOLD 1000 SOB (R. 1/15), DC/CFBC/EXC/HMO/CAT SOB (R. 1/15), DC/CFBC/EXC/HMO/NATAMER SOB (R. 1/15), DC/CFBC/EXC/HMO/SIL SOB (R. 1/15), DC/CFBC/EXC/HMO/SIL 74 SOB (R. 1/15), DC/CFBC/EXC/HMO/SIL 88 SOB (R. 1/15), DC/CFBC/EXC/HMO/SIL 95 SOB (R. 1/15), DC/CFBC/EXC/BC+IN/BRZ SOB (R. 1/15), DC/CFBC/EXC/BC+IN/NATAMER SOB (R. 1/15), DC/CFBC/EXC/BC+IN/SIL SOB (R. 1/15), DC/CFBC/EXC/BC+IN/SIL 74 SOB (R. 1/15), DC/CFBC/EXC/BC+IN/SIL 88 SOB (R. 1/15), DC/CFBC/EXC/BC+IN/SIL 95 SOB (R. 1/15), DC/CFBC/EXC/HBIN/PLAT SOB (R. 1/15), DC/CFBC/EXC/HBIN/GOLD SOB (R. 1/15), DC/CFBC/EXC/HBIN/NATAMER SOB (R. 1/15)

Affected Forms:

Other Affected Forms: DC/CFBC/EXC/HMO/IEA (1/14), DC/CFBC/EXC/BC+ IN/IEA (1/14), DC/CFBC/EXC/HB IN/IEA (1/14), DC/CFBC/SHOP/EXC/DOCS (1/14), DC/CFBC/EXC/NATAMER (1/14), DC/CFBC/DOL APPEAL (R. 7/11), DC/CFBC/MEM/BLCRD (1/12), DC/CFBC/PT PROTECT (9/10)

REQUESTED RATE CHANGE INFORMATION:

Change Period: Annual
 Member Months: 190,814
 Benefit Change: Increase
 Percent Change Requested: Min: 2.8 Max: 24.1 Avg: 13.4

PRIOR RATE:

Total Earned Premium: 51,631,268.00

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Total Incurred Claims:	39,435,562.00
Annual \$:	Min: 99.48 Max: 380.12 Avg: 256.97

REQUESTED RATE:

Projected Earned Premium:	58,556,896.00
Projected Incurred Claims:	43,356,184.00
Annual \$:	Min: 123.41 Max: 453.58 Avg: 291.43

SERFF Tracking #:	CFAP-129554176	State Tracking #:		Company Tracking #:	1968
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Rate/Rule Schedule

SERFF Tracking #:

CFAP-129554176

State Tracking #:

Company Tracking #:

1968

State:

District of Columbia

Filing Company:

CareFirst BlueChoice, Inc.

TOI/Sub-TOI:

H21 Health - Other/H21.000 Health - Other

Product Name:

BlueChoice Open Access/BlueChoice Plus/HealthyBlue - ON-EXCHANGE

Project Name/Number:

DC BC IND64- ACA ON-EXCHANGE /1968

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		1968_DC BlueChoice Exchange Filing	DC/CFBC/EXC/2015 AMEND (1/15), DC/CFBC/DB/HMO/INCENT (1/15), DC/CFBC/DB/POS IN/INCENT (1/15), DC/CFBC/EXC/HMO HSA/4000 BRZ SOB (R. 1/15), DC/CFBC/EXC/HMO HSA/6000 BRZ SOB (R. 1/15), DC/CFBC/EXC/HMO HSA/SIL SOB (R. 1/15), DC/CFBC/EXC/HMO HSA/SIL 74 SOB (R. 1/15), DC/CFBC/EXC/HMO HSA/SIL 88 SOB (R. 1/15), DC/CFBC/EXC/HMO HSA/SIL 95 SOB (R. 1/15), DC/CFBC/EXC/HMO/GOLD 0 SOB (R. 1/15), DC/CFBC/EXC/HMO/GOLD 1000 SOB (R. 1/15), DC/CFBC/EXC/HMO/CAT SOB (R. 1/15), DC/CFBC/EXC/HMO/NATAME R SOB (R. 1/15), DC/CFBC/EXC/HMO/SIL SOB (R. 1/15), DC/CFBC/EXC/HMO/SIL 74 SOB (R. 1/15), DC/CFBC/EXC/HMO/SIL 88 SOB (R. 1/15), DC/CFBC/EXC/HMO/SIL 95 SOB (R. 1/15), DC/CFBC/EXC/BC+IN/BRZ SOB (R. 1/15), DC/CFBC/EXC/BC+IN/NATAM ER SOB (R. 1/15), DC/CFBC/EXC/BC+IN/SIL SOB (R. 1/15), DC/CFBC/EXC/BC+IN/SIL 74 SOB (R. 1/15), DC/CFBC/EXC/BC+IN/SIL 88	Revised	Previous State Filing Number: CFAP-129047510 or 1901 Percent Rate Change Request: 13.4	1968_DC_BlueChoice - Exchange (Q1 2015) - Rate Filing.pdf,

SERFF Tracking #:

CFAP-129554176

State Tracking #:

Company Tracking #:

1968

State:

District of Columbia

Filing Company:

CareFirst BlueChoice, Inc.

TOI/Sub-TOI:

H21 Health - Other/H21.000 Health - Other

Product Name:

BlueChoice Open Access/BlueChoice Plus/HealthyBlue - ON-EXCHANGE

Project Name/Number:

DC BC IND64- ACA ON-EXCHANGE /1968

			SOB (R. 1/15), DC/CFBC/EXC/BC+IN/SIL 95 SOB (R. 1/15), DC/CFBC/EXC/HBIN/PLAT SOB (R. 1/15), DC/CFBC/EXC/HBIN/GOLD SOB (R. 1/15), DC/CFBC/EXC/HBIN/NATAME R SOB (R. 1/15), DC/CFBC/EXC/HMO/IEA (1/14), DC/CFBC/EXC/BC+ IN/IEA (1/14), DC/CFBC/EXC/HB IN/IEA (1/14), DC/CFBC/SHOP/EXC/DOCS (1/14), DC/CFBC/EXC/NATAMER (1/14), DC/CFBC/DOL APPEAL (R. 7/11), DC/CFBC/MEM/BLCRD (1/12), DC/CFBC/PT PROTECT (9/10)			
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**BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)**

**D.C. Individual Exchange Products
Rates Effective 1/1/2015**

Rates & Factors

BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)
D.C. Individual Exchange Products
Rates & Factors
Table of Contents
Rates Effective 1/1/2015

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BlueChoice Plus Bronze \$5500 - On Exchange	8
BlueChoice HSA Silver \$1300 - On Exchange	9
BlueChoice Silver \$2000 - On Exchange	10
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BlueChoice Gold \$1000 - On Exchange	12
BlueChoice Gold \$0 - On Exchange	13
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BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)
D.C. Individual Exchange Products
Rates Effective 1/1/2015
Form Numbers

Form Numbers Associated With This Filing:

This list contains the applicable forms for the ACA products.

		In-Network	Out of Network
On Exchange	BlueChoice - Open Access	DC/CFBC/EXC/HMO/IEA (1/14) DC/CFBC/SHOP/EXC/DOCS (1/14) DC/CFBC/EXC/NATAMER (1/14) DC/CFBC/DOL APPEAL (R. 7/11) DC/CFBC/MEM/BLCRD (1/12) DC/CFBC/PT PROTECT (9/10) DC/CFBC/EXC/2015 AMEND (1/15) DC/CFBC/DB/HMO/INCENT (1/15) DC/CFBC/EXC/HMO HSA/4000 BRZ SOB (R. 1/15) (Bronze Metal Level) DC/CFBC/EXC/HMO HSA/6000 BRZ SOB (R. 1/15) (Bronze Metal Level) DC/CFBC/EXC/HMO HSA/SIL SOB (R. 1/15) (Silver Metal Level) DC/CFBC/EXC/HMO HSA/SIL 74 SOB (R. 1/15) (Silver Metal Level 200-250% FPL) DC/CFBC/EXC/HMO HSA/SIL 88 SOB (R. 1/15) (Silver Metal Level 150-200% FPL) DC/CFBC/EXC/HMO HSA/SIL 95 SOB (R. 1/15) (Silver Metal Level 100-150% FPL) DC/CFBC/EXC/HMO/GOLD 0 SOB (R. 1/15) (Gold Metal Level) DC/CFBC/EXC/HMO/GOLD 1000 SOB (R. 1/15) (Gold Metal Level) DC/CFBC/EXC/HMO/CAT SOB (R. 1/15) (Catastrophic Plan) DC/CFBC/EXC/HMO/NATAMER SOB (R. 1/15) DC/CFBC/EXC/HMO/SIL SOB (R. 1/15) (Silver Metal Level) DC/CFBC/EXC/HMO/SIL 74 SOB (R. 1/15) (Silver Metal Level 200-250% FPL) DC/CFBC/EXC/HMO/SIL 88 SOB (R. 1/15) (Silver Metal Level 150-200% FPL) DC/CFBC/EXC/HMO/SIL 95 SOB (R. 1/15) (Silver Metal Level 100-150% FPL)	N/A
	BlueChoice Plus	DC/CFBC/EXC/BC+ IN/IEA (1/14) DC/CFBC/SHOP/EXC/DOCS (1/14) DC/CFBC/EXC/NATAMER (1/14) DC/CFBC/DOL APPEAL (R. 7/11) DC/CFBC/MEM/BLCRD (1/12) DC/CFBC/PT PROTECT (9/10) DC/CFBC/EXC/2015 AMEND (1/15) DC/CFBC/DB/POS IN/INCENT (1/15) DC/CFBC/EXC/BC+IN/BRZ SOB (R. 1/15) (Bronze Metal Level) DC/CFBC/EXC/BC+IN/NATAMER SOB (R. 1/15) DC/CFBC/EXC/BC+IN/SIL SOB (R. 1/15) (Silver Metal Level) DC/CFBC/EXC/BC+IN/SIL 74 SOB (R. 1/15) (Silver Metal Level 200-250% FPL) DC/CFBC/EXC/BC+IN/SIL 88 SOB (R. 1/15) (Silver Metal Level 150-200% FPL) DC/CFBC/EXC/BC+IN/SIL 95 SOB (R. 1/15) (Silver Metal Level 100-150% FPL)	DC/CF/EXC/BC+ OON/IEA (1/14) DC/CF/SHOP/EXC/DOCS (1/14) DC/CF/EXC/NATAMER (1/14) DC/GHMSI/DOL APPEAL (R. 11/11) DC/CF/MEM/BLCRD (1/12) DC/CF/ANCILLARY AMEND (10/12) DC/GHMSI/HEALTH GUARANTEE 2/08 DC/CF/PT PROTECT (9/10) DC/CF/EXC/2015 AMEND (1/15) DC/CF/EXC/BC+OON/BRZ SOB (R. 1/15) (Bronze Metal Level) DC/CF/EXC/BC+ OON NATAMER SOB (R. 1/15) DC/CF/EXC/BC+ OON/SIL 74 SOB (R. 1/15) (Silver Metal Level 200-250% FPL) DC/CF/EXC/BC+ OON/SIL 87 SOB (R. 1/15) (Silver Metal Level 150-200% FPL) DC/CF/EXC/BC+OON/SIL 95 SOB (R. 1/15) (Silver Metal Level 100-150% FPL) DC/CF/EXC/BC+OON SIL SOB (R. 1/15) (Silver Metal Level)
	HealthyBlue	DC/CFBC/EXC/HB IN/IEA (1/14) DC/CFBC/SHOP/EXC/DOCS (1/14) DC/CFBC/EXC/NATAMER (1/14) DC/CFBC/DOL APPEAL (R. 7/11) DC/CFBC/MEM/BLCRD (1/12) DC/CFBC/PT PROTECT (9/10) DC/CFBC/EXC/2015 AMEND (1/15) DC/CFBC/DB/POS IN/INCENT (1/15) DC/CFBC/EXC/HBIN/PLAT SOB (R. 1/15) (Platinum Metal Level) DC/CFBC/EXC/HBIN/GOLD SOB (R. 1/15) (Gold Metal Level) DC/CFBC/EXC/HBIN/NATAMER SOB (R. 1/15)	DC/CF/EXC/HB OON/IEA (1/14) DC/CF/SHOP/EXC/DOCS (1/14) DC/CF/EXC/NATAMER (1/14) DC/GHMSI/DOL APPEAL (R. 11/11) DC/CF/MEM/BLCRD (1/12) DC/CF/ANCILLARY AMEND (10/12) DC/GHMSI/HEALTH GUARANTEE 2/08 DC/CF/PT PROTECT (9/10) DC/CF/EXC/2015 AMEND (1/15) DC/CF/EXC/HB OON/PLAT SOB (R. 1/15) (Platinum Metal Level) DC/CF/EXC/HB OON/GOLD SOB (R. 1/15) (Gold Metal Level) DC/CF/EXC/HB OON/NATAMER SOB (R. 1/15)

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

Age Factors

Age	Factor
0-20	0.654
21	0.727
22	0.727
23	0.727
24	0.727
25	0.727
26	0.727
27	0.727
28	0.744
29	0.760
30	0.779
31	0.799
32	0.817
33	0.836
34	0.856
35	0.876
36	0.896
37	0.916
38	0.927
39	0.938
40	0.975
41	1.013
42	1.053
43	1.094
44	1.137
45	1.181
46	1.227
47	1.275
48	1.325
49	1.377
50	1.431
51	1.487
52	1.545
53	1.605
54	1.668
55	1.733
56	1.801
57	1.871
58	1.944
59	2.020
60	2.099
61	2.181
62	2.181
63	2.181
64+	2.181

CareFirst BlueChoice, Inc. (NAIC No. 96202)

Individual On Exchange
DISTRICT OF COLUMBIA
BlueChoice Young Adult \$6600
Proposed Monthly Premium Rates Effective 1/1/2015

Base Rate \$ **123.41**

Age	Monthly Premium
0-20	\$80.71
21	\$89.72
22	\$89.72
23	\$89.72
24	\$89.72
25	\$89.72
26	\$89.72
27	\$89.72
28	\$91.82
29	\$93.79
30	\$96.14
31	\$98.60
32	\$100.83
33	\$103.17
34	\$105.64
35	\$108.11
36	\$110.58
37	\$113.04
38	\$114.40
39	\$115.76
40	\$120.32
41	\$125.01
42	\$129.95
43	\$135.01
44	\$140.32
45	\$145.75
46	\$151.42
47	\$157.35
48	\$163.52
49	\$169.94
50	\$176.60
51	\$183.51
52	\$190.67
53	\$198.07
54	\$205.85
55	\$213.87
56	\$222.26
57	\$230.90
58	\$239.91
59	\$249.29
60	\$259.04
61	\$269.16
62	\$269.16
63	\$269.16
64+	\$269.16

Summary of Member Cost-Shares

	<u>In Network</u>	<u>Out-Of-Network</u>
DEDUCTIBLE	\$6,600	None
COINSURANCE	0%	
OUT-OF-POCKET MAXIMUM	\$6,600	
Office Copays	\$0 PCP /\$0 Specialist	
Drug:	0% Generic, 0% Preferred Brand	
	0% Non-Preferred Brand Coinsurance	
Drug and Medical Combined for Ded & OOP Max		

CareFirst BlueChoice, Inc. (NAIC No. 96202)

Individual On Exchange
DISTRICT OF COLUMBIA
BlueChoice HSA Bronze \$4000
Proposed Monthly Premium Rates Effective 1/1/2015

Base Rate **\$ 198.02**

Age	Monthly Premium
0-20	\$129.51
21	\$143.96
22	\$143.96
23	\$143.96
24	\$143.96
25	\$143.96
26	\$143.96
27	\$143.96
28	\$147.33
29	\$150.50
30	\$154.26
31	\$158.22
32	\$161.78
33	\$165.54
34	\$169.51
35	\$173.47
36	\$177.43
37	\$181.39
38	\$183.56
39	\$185.74
40	\$193.07
41	\$200.59
42	\$208.52
43	\$216.63
44	\$225.15
45	\$233.86
46	\$242.97
47	\$252.48
48	\$262.38
49	\$272.67
50	\$283.37
51	\$294.46
52	\$305.94
53	\$317.82
54	\$330.30
55	\$343.17
56	\$356.63
57	\$370.50
58	\$384.95
59	\$400.00
60	\$415.64
61	\$431.88
62	\$431.88
63	\$431.88
64+	\$431.88

Summary of Member Cost-Shares

	<u>In Network</u>	<u>Out-Of-Network</u>
DEDUCTIBLE	\$4,000	None
COINSURANCE	30%	
OUT-OF-POCKET MAXIMUM	\$6,350	
Office Copays	\$30 PCP /\$40 Specialist	
Drug:	20% Generic, 30% Preferred Brand	
	50% Non-Preferred Brand Coinsurance	
Drug and Medical Combined for Ded & OOP Max		

CareFirst BlueChoice, Inc. (NAIC No. 96202)

Individual On Exchange
DISTRICT OF COLUMBIA
BlueChoice HSA Bronze \$6000
Proposed Monthly Premium Rates Effective 1/1/2015

Base Rate **\$ 191.19**

Age	Monthly Premium
0-20	\$125.04
21	\$139.00
22	\$139.00
23	\$139.00
24	\$139.00
25	\$139.00
26	\$139.00
27	\$139.00
28	\$142.25
29	\$145.30
30	\$148.94
31	\$152.76
32	\$156.20
33	\$159.83
34	\$163.66
35	\$167.48
36	\$171.31
37	\$175.13
38	\$177.23
39	\$179.34
40	\$186.41
41	\$193.68
42	\$201.32
43	\$209.16
44	\$217.38
45	\$225.80
46	\$234.59
47	\$243.77
48	\$253.33
49	\$263.27
50	\$273.59
51	\$284.30
52	\$295.39
53	\$306.86
54	\$318.90
55	\$331.33
56	\$344.33
57	\$357.72
58	\$371.67
59	\$386.20
60	\$401.31
61	\$416.99
62	\$416.99
63	\$416.99
64+	\$416.99

Summary of Member Cost-Shares

	<u>In Network</u>	<u>Out-Of-Network</u>
DEDUCTIBLE	\$6,000	None
COINSURANCE	0%	
OUT-OF-POCKET MAXIMUM	\$6,000	
Office Copays	\$0 PCP /\$0 Specialist	
Drug:	0% Generic, 0% Preferred Brand	
	0% Non-Preferred Brand Coinsurance	
Drug and Medical Combined for Ded & OOP Max		

CareFirst BlueChoice, Inc. (NAIC No. 96202)

Individual On Exchange

DISTRICT OF COLUMBIA

BlueChoice Plus Bronze \$5500

Proposed Monthly Premium Rates Effective 1/1/2015

Base Rate **\$ 223.57**

Age	Monthly Premium
0-20	\$146.21
21	\$162.54
22	\$162.54
23	\$162.54
24	\$162.54
25	\$162.54
26	\$162.54
27	\$162.54
28	\$166.34
29	\$169.91
30	\$174.16
31	\$178.63
32	\$182.66
33	\$186.90
34	\$191.38
35	\$195.85
36	\$200.32
37	\$204.79
38	\$207.25
39	\$209.71
40	\$217.98
41	\$226.48
42	\$235.42
43	\$244.59
44	\$254.20
45	\$264.04
46	\$274.32
47	\$285.05
48	\$296.23
49	\$307.86
50	\$319.93
51	\$332.45
52	\$345.42
53	\$358.83
54	\$372.91
55	\$387.45
56	\$402.65
57	\$418.30
58	\$434.62
59	\$451.61
60	\$469.27
61	\$487.61
62	\$487.61
63	\$487.61
64+	\$487.61

Summary of Member Cost-Shares

	<u>In Network</u>	<u>Out-Of-Network</u>
DEDUCTIBLE	\$5,500	\$11,000
COINSURANCE	20%	40%
OUT-OF-POCKET MAXIMUM	\$6,350	\$12,700
Office Copays \$30 PCP /\$40 Specialist		
Drug: \$10 Generic Copay, 30% Preferred Brand, 40% Non-Preferred Brand Coinsurance		
Drug and Medical Combined for Ded & OOP Max		

CareFirst BlueChoice, Inc. (NAIC No. 96202)

Individual On Exchange
DISTRICT OF COLUMBIA
BlueChoice HSA Silver \$1300
Proposed Monthly Premium Rates Effective 1/1/2015

Base Rate **\$ 262.60**

Age	Monthly Premium
0-20	\$171.74
21	\$190.91
22	\$190.91
23	\$190.91
24	\$190.91
25	\$190.91
26	\$190.91
27	\$190.91
28	\$195.37
29	\$199.58
30	\$204.57
31	\$209.82
32	\$214.54
33	\$219.53
34	\$224.79
35	\$230.04
36	\$235.29
37	\$240.54
38	\$243.43
39	\$246.32
40	\$256.04
41	\$266.01
42	\$276.52
43	\$287.28
44	\$298.58
45	\$310.13
46	\$322.21
47	\$334.82
48	\$347.95
49	\$361.60
50	\$375.78
51	\$390.49
52	\$405.72
53	\$421.47
54	\$438.02
55	\$455.09
56	\$472.94
57	\$491.32
58	\$510.49
59	\$530.45
60	\$551.20
61	\$572.73
62	\$572.73
63	\$572.73
64+	\$572.73

Summary of Member Cost-Shares

	<u>In Network</u>	<u>Out-Of-Network</u>
DEDUCTIBLE	\$1,300	None
COINSURANCE	20%	
OUT-OF-POCKET MAXIMUM	\$6,350	
Office Copays	\$30 PCP /\$40 Specialist	
Drug:	20% Generic, 30% Preferred Brand	
	50% Non-Preferred Brand Coinsurance	
Drug and Medical Combined for Ded & OOP Max		

CareFirst BlueChoice, Inc. (NAIC No. 96202)

Individual On Exchange

DISTRICT OF COLUMBIA

BlueChoice Silver \$2000

Proposed Monthly Premium Rates Effective 1/1/2015

Base Rate **\$ 279.52**

Age	Monthly Premium
0-20	\$182.81
21	\$203.21
22	\$203.21
23	\$203.21
24	\$203.21
25	\$203.21
26	\$203.21
27	\$203.21
28	\$207.96
29	\$212.44
30	\$217.75
31	\$223.34
32	\$228.37
33	\$233.68
34	\$239.27
35	\$244.86
36	\$250.45
37	\$256.04
38	\$259.12
39	\$262.19
40	\$272.53
41	\$283.15
42	\$294.33
43	\$305.79
44	\$317.81
45	\$330.11
46	\$342.97
47	\$356.39
48	\$370.36
49	\$384.90
50	\$399.99
51	\$415.65
52	\$431.86
53	\$448.63
54	\$466.24
55	\$484.41
56	\$503.42
57	\$522.98
58	\$543.39
59	\$564.63
60	\$586.71
61	\$609.63
62	\$609.63
63	\$609.63
64+	\$609.63

Summary of Member Cost-Shares

	<u>In Network</u>	<u>Out-Of-Network</u>
DEDUCTIBLE	\$2,000	None
COINSURANCE	20%	
OUT-OF-POCKET MAXIMUM	\$6,350	
Office Copays	\$30 PCP /\$40 Specialist	
Drug:	\$10 Generic Copay, 30% Preferred Brand, 40% Non-Preferred Brand Coinsurance	
Drug and Medical Combined for Ded & OOP Max		

CareFirst BlueChoice, Inc. (NAIC No. 96202)

Individual On Exchange

DISTRICT OF COLUMBIA

BlueChoice Plus Silver \$2500

Proposed Monthly Premium Rates Effective 1/1/2015

Base Rate **\$ 278.57**

Age	Monthly Premium
0-20	\$182.18
21	\$202.52
22	\$202.52
23	\$202.52
24	\$202.52
25	\$202.52
26	\$202.52
27	\$202.52
28	\$207.26
29	\$211.71
30	\$217.01
31	\$222.58
32	\$227.59
33	\$232.88
34	\$238.46
35	\$244.03
36	\$249.60
37	\$255.17
38	\$258.23
39	\$261.30
40	\$271.61
41	\$282.19
42	\$293.33
43	\$304.76
44	\$316.73
45	\$328.99
46	\$341.81
47	\$355.18
48	\$369.11
49	\$383.59
50	\$398.63
51	\$414.23
52	\$430.39
53	\$447.10
54	\$464.65
55	\$482.76
56	\$501.70
57	\$521.20
58	\$541.54
59	\$562.71
60	\$584.72
61	\$607.56
62	\$607.56
63	\$607.56
64+	\$607.56

Summary of Member Cost-Shares

	<u>In Network</u>	<u>Out-Of-Network</u>
DEDUCTIBLE	\$2,500	\$500
COINSURANCE	20%	40%
OUT-OF-POCKET MAXIMUM	\$6,350	\$12,700
Office Copays	\$20 PCP /\$40 Specialist	
Drug:	\$10 Generic Copay, 30% Preferred Brand, 40% Non-Preferred Brand Coinsurance	
Drug and Medical Combined for OOP Max		

CareFirst BlueChoice, Inc. (NAIC No. 96202)

Individual On Exchange
DISTRICT OF COLUMBIA

BlueChoice Gold \$1000

Proposed Monthly Premium Rates Effective 1/1/2015

Base Rate **\$ 332.83**

Age	Monthly Premium
0-20	\$217.67
21	\$241.97
22	\$241.97
23	\$241.97
24	\$241.97
25	\$241.97
26	\$241.97
27	\$241.97
28	\$247.63
29	\$252.95
30	\$259.27
31	\$265.93
32	\$271.92
33	\$278.25
34	\$284.90
35	\$291.56
36	\$298.22
37	\$304.87
38	\$308.53
39	\$312.19
40	\$324.51
41	\$337.16
42	\$350.47
43	\$364.12
44	\$378.43
45	\$393.07
46	\$408.38
47	\$424.36
48	\$441.00
49	\$458.31
50	\$476.28
51	\$494.92
52	\$514.22
53	\$534.19
54	\$555.16
55	\$576.79
56	\$599.43
57	\$622.72
58	\$647.02
59	\$672.32
60	\$698.61
61	\$725.90
62	\$725.90
63	\$725.90
64+	\$725.90

Summary of Member Cost-Shares

	<u>In Network</u>	<u>Out-Of-Network</u>
DEDUCTIBLE	\$1,000	None
COINSURANCE	10%	
OUT-OF-POCKET MAXIMUM	\$3,750	
Office Copays	\$20 PCP /\$30 Specialist	
Drug:	\$10 Generic Copay, 30% Preferred Brand, 40% Non-Preferred Brand Coinsurance	
Drug and Medical Combined for Ded & OOP Max		

CareFirst BlueChoice, Inc. (NAIC No. 96202)

Individual On Exchange
DISTRICT OF COLUMBIA
BlueChoice Gold \$0

Proposed Monthly Premium Rates Effective 1/1/2015

Base Rate **\$ 342.69**

Age	Monthly Premium
0-20	\$224.12
21	\$249.14
22	\$249.14
23	\$249.14
24	\$249.14
25	\$249.14
26	\$249.14
27	\$249.14
28	\$254.96
29	\$260.44
30	\$266.96
31	\$273.81
32	\$279.98
33	\$286.49
34	\$293.34
35	\$300.20
36	\$307.05
37	\$313.90
38	\$317.67
39	\$321.44
40	\$334.12
41	\$347.14
42	\$360.85
43	\$374.90
44	\$389.64
45	\$404.72
46	\$420.48
47	\$436.93
48	\$454.06
49	\$471.88
50	\$490.39
51	\$509.58
52	\$529.46
53	\$550.02
54	\$571.61
55	\$593.88
56	\$617.18
57	\$641.17
58	\$666.19
59	\$692.23
60	\$719.31
61	\$747.41
62	\$747.41
63	\$747.41
64+	\$747.41

Summary of Member Cost-Shares

	<u>In Network</u>	<u>Out-Of-Network</u>
DEDUCTIBLE	\$0	None
COINSURANCE	30%	
OUT-OF-POCKET MAXIMUM	\$6,350	
Office Copays	\$20 PCP /\$30 Specialist	
Drug:	20% Generic, 30% Preferred Brand	
	50% Non-Preferred Brand Coinsurance	
Drug and Medical Combined for OOP Max		

CareFirst BlueChoice, Inc. (NAIC No. 96202)

Individual On Exchange
DISTRICT OF COLUMBIA
HealthyBlue Gold \$1500

Proposed Monthly Premium Rates Effective 1/1/2015

Base Rate \$ **371.94**

Age	Monthly Premium
0-20	\$243.25
21	\$270.40
22	\$270.40
23	\$270.40
24	\$270.40
25	\$270.40
26	\$270.40
27	\$270.40
28	\$276.72
29	\$282.67
30	\$289.74
31	\$297.18
32	\$303.87
33	\$310.94
34	\$318.38
35	\$325.82
36	\$333.26
37	\$340.70
38	\$344.79
39	\$348.88
40	\$362.64
41	\$376.78
42	\$391.65
43	\$406.90
44	\$422.90
45	\$439.26
46	\$456.37
47	\$474.22
48	\$492.82
49	\$512.16
50	\$532.25
51	\$553.07
52	\$574.65
53	\$596.96
54	\$620.40
55	\$644.57
56	\$669.86
57	\$695.90
58	\$723.05
59	\$751.32
60	\$780.70
61	\$811.20
62	\$811.20
63	\$811.20
64+	\$811.20

Summary of Member Cost-Shares

	<u>In Network</u>	<u>Out-Of-Network</u>
DEDUCTIBLE	\$1,500	\$2,500
COINSURANCE	0%	0%
OUT-OF-POCKET MAXIMUM	\$3,450	\$5,900
Office Copays	\$0 PCP /\$40 Specialist	
Drug Deductible	\$400	
Drug:	\$0 Generic, \$45 Preferred Brand	
	\$200 Non-Preferred Brand Copay	
Drug and Medical Combined for OOP Max		

CareFirst BlueChoice, Inc. (NAIC No. 96202)

Individual On Exchange
DISTRICT OF COLUMBIA

HealthyBlue Platinum \$0
Proposed Monthly Premium Rates Effective 1/1/2015

Base Rate \$ **453.58**

Age	Monthly Premium
0-20	\$296.64
21	\$329.75
22	\$329.75
23	\$329.75
24	\$329.75
25	\$329.75
26	\$329.75
27	\$329.75
28	\$337.46
29	\$344.72
30	\$353.34
31	\$362.41
32	\$370.57
33	\$379.19
34	\$388.26
35	\$397.34
36	\$406.41
37	\$415.48
38	\$420.47
39	\$425.46
40	\$442.24
41	\$459.48
42	\$477.62
43	\$496.22
44	\$515.72
45	\$535.68
46	\$556.54
47	\$578.31
48	\$600.99
49	\$624.58
50	\$649.07
51	\$674.47
52	\$700.78
53	\$728.00
54	\$756.57
55	\$786.05
56	\$816.90
57	\$848.65
58	\$881.76
59	\$916.23
60	\$952.06
61	\$989.26
62	\$989.26
63	\$989.26
64+	\$989.26

Summary of Member Cost-Shares

	<u>In Network</u>	<u>Out-Of-Network</u>
DEDUCTIBLE	\$0	\$1,000
COINSURANCE	0%	0%
OUT-OF-POCKET MAXIMUM	\$2,000	\$4,000
Office Copays	\$0 PCP /\$40 Specialist	
Drug Deductible	\$0	
Drug:	\$0 Generic, \$45 Preferred Brand	
	\$200 Non-Preferred Brand Copay	
Drug and Medical Combined for OOP Max		

State:	District of Columbia	Filing Company:	CareFirst BlueChoice, Inc.
TOI/Sub-TOI:	H21 Health - Other/H21.000 Health - Other		
Product Name:	BlueChoice Open Access/BlueChoice Plus/HealthyBlue - ON-EXCHANGE		
Project Name/Number:	DC BC IND64- ACA ON-EXCHANGE /1968		

Supporting Document Schedules

Satisfied - Item:	Cover Letter All Filings
Comments:	Please see the Actuarial Memorandum for these items.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Certificate of Authority to File
Bypass Reason:	This filing is being made by the insurer.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	1968_DC_BlueChoice - Exchange (Q1 2015) - Actuarial Memo Cover Letter.pdf 1968_DC_BlueChoice - Exchange (Q1 2015) - Actuarial Memorandum.pdf 1968_DC_BlueChoice - Exchange (Q1 2015) - Actuarial Value Calculations.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Justification
Comments:	This information can be found in the Actuarial Memorandum.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	This is not a P&C filing.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Bypass Reason:	This is not a P&C filing.
Attachment(s):	

State:	District of Columbia	Filing Company:	CareFirst BlueChoice, Inc.
TOI/Sub-TOI:	H21 Health - Other/H21.000 Health - Other		
Product Name:	BlueChoice Open Access/BlueChoice Plus/HealthyBlue - ON-EXCHANGE		
Project Name/Number:	DC BC IND64- ACA ON-EXCHANGE /1968		

Item Status:	
Status Date:	
Bypassed - Item:	Consumer Disclosure Form
Bypass Reason:	As noted, we are bypassing this Requirement.
Attachment(s):	
Item Status:	
Status Date:	
Satisfied - Item:	Actuarial Memorandum and Certifications
Comments:	
Attachment(s):	1968_DC_BlueChoice - Exchange (Q1 2015) - Actuarial Memo Cover Letter.pdf 1968_DC_BlueChoice - Exchange (Q1 2015) - Actuarial Memorandum.pdf 1968_DC_BlueChoice - Exchange (Q1 2015) - Actuarial Value Calculations.pdf
Item Status:	
Status Date:	
Satisfied - Item:	Unified Rate Review Template
Comments:	
Attachment(s):	UnifiedRateReviewSubmission_20140613142047.xml 1968_DC_HMO - URRT - SERFF - 6-13-14.xlsm PartII-DC-CD-BC-1968.pdf
Item Status:	
Status Date:	
Satisfied - Item:	DISB Actuarial Memorandum Dataset
Comments:	
Attachment(s):	PartII-DC-CD-BC-1968.pdf DISB Actuarial Memo Dataset - BC_1968 - 6-13-14.xlsx
Item Status:	
Status Date:	

SERFF Tracking #:	CFAP-129554176	State Tracking #:		Company Tracking #:	1968
State:	District of Columbia	Filing Company:	CareFirst BlueChoice, Inc.		
TOI/Sub-TOI:	H21 Health - Other/H21.000 Health - Other				
Product Name:	BlueChoice Open Access/BlueChoice Plus/HealthyBlue - ON-EXCHANGE				
Project Name/Number:	DC BC IND64- ACA ON-EXCHANGE /1968				

Attachment UnifiedRateReviewSubmission_20140613142047.xml is not a PDF document and cannot be reproduced here.

Attachment 1968_DC_HMO - URRT - SERFF - 6-13-14.xlsm is not a PDF document and cannot be reproduced here.

Attachment DISB Actuarial Memo Dataset - BC_1968 - 6-13-14.xlsx is not a PDF document and cannot be reproduced here.

CAREFIRST BLUECROSS BLUESHIELD (CF)
PART III ACTUARIAL MEMORANDUM

1. GENERAL INFORMATION:

- A. **Company Legal Name:** BlueChoice, Inc. (NAIC # 96202).
- B. **Jurisdiction:** District of Columbia.
- C. **HIOS Issuer ID:** 86052.
- D. **Market:** Individual, Non-Medigap (On Exchange).
- E. **Effective Date:** 1/1/15 – 12/31/15.
- F. **Primary Contact Name:** Mr. Todd Switzer, A.S.A., M.A.A.A.
- G. **Primary Contact Telephone Number:** 410-998-7107.
- H. **Primary Contact E-Mail Address:** Todd.Switzer@CareFirst.com.

2. **PROPOSED RATE INCREASE(S):** In compliance with the “Patient Protection and Affordable Care Act” (ACA, H.R. 3590) and toward the same 2014 objectives of maximizing access and affordability, long-term financial viability and customer rate stability, CareFirst (CF) is proposing to raise premiums by 13.4%, prior to age band changes. (For CF the proposed renewal is 13.0%.) The range is 2.8% to 24.1%. (For renewing customers, an age band change adds 2.6% to the renewal, on average, with a range of 0.0% to 3.9% for ages 22 and upwards per the DC age curve.)

3. **EXPERIENCE PERIOD PREMIUM AND CLAIMS:** The incurred period is 1/1/13 through 12/31/13, as required.

- A. **Paid Through Date:** 3/31/14.
- B. **Premiums (Net of Medical Loss Ratio (MLR) Rebate) in Experience Period:** \$137,679,176 (Merged Index Rate).
- C. **Allowed and Incurred Claims From Experience Period:** \$136,985,100 (Merged Index Rate).

4. BENEFIT CATEGORIES:

- A. Inpatient (hospital).
- B. Outpatient (hospital).
- C. Professional.
- D. Other Medical (non-capitated ambulance, home health care, durable medical equipment, prosthetics, supplies, vision exams, dental services and other).
- E. Prescription drug (Rx).
- F. Capitations.

5. PROJECTION FACTORS:

- A. **Changes in the Morbidity of the Population Insured:** For 2015, CareFirst estimates a morbidity factor that is almost identical to 2014’s projected morbidity. The morbidity risk factor projections are based upon the model that supported CareFirst’s 2014 rate filings. The model compares known and estimated allowed claims costs per member per month (PMPM) for 2013 to project the costs of various categories of the estimated 2015 membership.

These categories are based upon the prior status of the 2015 membership – previous CareFirst members (medically underwritten “Individual Non-Medigap” (INM), Open Enrollment, HIPAA, Group Conversion, Groups (small and large including Congress)) and New Entrants sorted by income (i.e., > 200% of the Federal Poverty Level (FPL)). As of 5/12/14, CF has enrolled approximately 10,000 members from Congress through the Small Business Health Options Program (SHOP). The prospect of offering SHOP plans to Congress was not known at the time of the 2014 rate filings. This influx of Congressional members with an average age of 32.3 years versus 33.7 for Small Group (SG) and 36.1 for INM contributed to the decline in the morbidity factor. Congress is projected to represent

~12% of total enrollment with an ~10% improvement in the loss ratio leading to ~1% reduction to premiums. On 12/31/15 we are projecting about 23,000 CF INM members and 71,000 for CF SG for a total of approximately 94,000.

- B. **Changes in Benefits:** For CareFirst's Individual offerings, our portfolio is not changing. We will still offer 15 benefit plans – 1 Young Adult/Catastrophic, 4 Bronze, 4 Silver, 4 Gold and 2 Platinum. We have recalculated the costs of "Essential Health Benefits" (EHB) as well as Non-EHBs.

Related to autism benefits, per the "Better Prices, Better Quality, Better Choices for Health Coverage Amendment Act of 2013" passed on 6/4/13 (D.C. Official Code § 31-3171.01, et seq.) we have calculated an increase in claims PMPM of \$1.74 for INM and \$5.15 for SG PMPM for 2015. This is largely for "Applied Behavioral Analysis" (ABA) treatments and is a D.C.-mandated benefit.

Attached exhibits detail adjustments for pediatric dental, mandatory generics, a new hepatitis C prescription drug, Sovaldi, and maternity.

- C. **Changes in Demographics:** Comparing the overall CareFirst member-level average age as of 12/31/12 to 3/31/14, we have seen an increase of 0.4 years from 33.8 to 34.2. For BlueChoice the increase is +0.6 from 33.7 to 34.3. For Group Hospitalization and Medical Services, Inc. (GHMSI) the increase is +0.2 years from 33.9 to 34.1.

For INM CF, the average age increased by 2.1 years from 34.0 to 36.1. For BlueChoice the increase is +1.8 from 34.2 to 36.0. For GHMSI the increase is +2.4 years from 33.9 to 36.3.

Age factors will account for a portion of the corresponding increase in claims cost. We find the CMS age curve spread of "3 to 1" to be lower than the "4.5 to 1" that is more correlated with expected claims costs. We have therefore adjusted expected claims costs accordingly in the "experience period" (EP) index rate projection in the "other" category.

- D. **Other Adjustments:** CareFirst is proposing to introduce an incentive program (IP) whereby members can earn medical expense debit cards of as much as \$150 annually, for an individual (\$400 for a family). The cards must be utilized for qualified medical expenses such as deductibles, copays, and out-of-pocket costs. The scope includes all benefit plans within CF's portfolio. This is being done in a revenue-neutral way. That is, the costs to CF of the incentive payments were chosen such that they match the expected savings to CF from more efficacious health care delivery. "HealthyBlue" (HB) was first launched effective 10/1/10 with the objective of motivating and rewarding greater engagement by the member in his or her health, improved wellness and prevention and better provider coordination and quality. As we sought to respond to feedback about HB, subsequent versions were released on 1/1/12 and 10/1/12. This IP represents an evolution of the HB concept. Further, it joins the tenets of HB with our "Patient Centered Medical Home" (PCMH) program which was launched in January, 2011.

The savings has been incorporated in the "Other" category when projecting the EP index rate. The cost of the incentive has been included in "general and administrative expenses." Our aim is that this IP will improve our members' health.

Included in this calculation are decreases to claims costs for 1) a change in our "Pharmacy Benefits Manager" (PBM) in 2014 and 2) a reduction in our fee schedule for out-of-network (OON) utilization for HMO-based products that have an OON option (a.k.a., "NP3").

- E. **Trend Factors (Cost/Utilization):** The proposed trend of 7.0% is a reduction of 200 basis points from 2014's 9.0%.

6. CREDIBILITY MANUAL RATE DEVELOPMENT:

- A. **Source and Appropriateness of Experience Data Used:** The calendar 2013 base data includes 438,476 member months (average monthly of 36,540) and is therefore considered 100% credible.

B. **Adjustments Made to the Data:** Non-EHBs (adult vision and abortion) were removed to develop the index rate.

C. **Inclusion of Capitation Payments:** A new exhibit lists all capitations.

7. **PAID TO ALLOWED RATIO:** Projected at 66.5%, on average.

8. **RISK ADJUSTMENT AND REINSURANCE:**

A. **Projected Risk Adjustments PMPM:** \$0 due to uncertainty.

B. **Projected ACA Reinsurance Recoveries Net of Reinsurance Premium (Individual Market and Combined Markets Only):** Total reinsurance recoveries are based upon a calendar year (CY) 2015 attachment point of \$70,000, cap of \$250,000, and 50% coinsurance. Total net reinsurance recoveries of \$12.30 PMPM are derived by subtracting the CY2015 reinsurance assessment fee of \$3.67 and reinsurance administrative fee of \$0.11 PMPM from gross recoveries of \$16.08 PMPM.

9. **NON-BENEFIT EXPENSES AND CONTRIBUTION TO RESERVE (CtR):** The 2015 “desired incurred claims ratio” (DICR) has decreased from 76.4% (2014) to 74.0%, due primarily to the medical expense debit card issue described in “Other Adjustments,” above.

A. **Administrative Expense Load:** G&A PMPMs decreased by 12% versus 2014

B. **CtR & Risk Margin:** Remains at 0.0%, break-even.

C. **Taxes and Fees:**

- Community Health Investment of 2.0%.
- Federal Income Tax (FIT) of 0.0%.
- Health Insurer Fee increased 90 basis points to 3.2% considering non-deductibility for tax purposes.
- Patient-Centered Outcomes Research Institute (PCORI) of \$2.11 PMPY (\$0.18 PMPM).
- Reinsurance Payments decreased from \$5.25 PMPM to \$3.67 PMPM.
- Risk Adjustment User Fees remained at \$0.08 PMPM.
- Reinsurance Administrative Fee is \$0.11 PMPM.
- Exchange Assessment Fee of 1.0% for 2015 and 1.0% for 2014 per the “Health Benefit Exchange Authority Financial Sustainability Emergency Amendment Act of 2014” (D.C. Act 20-329) approved on 5/22/14. In addition, there is an additional state assessment fee of 0.04%.

10. **PROJECTED LOSS RATIO:** Our projected DICR for MLR purposes is 80.4%, meeting the 80.0% minimum of “Public Health Service Act” (PHSA) 218. For testing we used the combined experience of INM and SG.

11. **SINGLE RISK POOL (SRP):** Our SRP reflects all covered lives for every non-grandfathered product in our market per 45 CFR Part § 156.80 (d). There are no transitional policies for CareFirst in D.C. This encompasses INM Open Enrollment, HIPAA, Group Conversion and formerly medically underwritten coverages as well as SGs.

12. **INDEX RATE:** The EP index rate is a key component driving the renewal. Last year’s implicit 2013 index rate was \$329 (\$302 + trend of 9.0%). The actual for 2013 is \$312 for a favorable variance of -5%.

For BlueChoice the experience period index rates for INM, SG and INM+SG are \$370, \$306 and \$312, respectively. By using the merged index rate, INM goes down by -16% (i.e., \$312 versus \$370) and SG goes up by +2% (i.e., \$312 versus \$306).

For CF the experience period index rates for INM, SG and INM+SG are \$290, \$372 and \$364, respectively. By using the merged index rate, INM goes up by +26% (i.e., \$364 versus \$290) and SG goes down by -2% (i.e., \$364 versus \$372).

The ratio of our composite PPO to HMO rate was 1.41 in 2014. 2015 filings change this ratio to 1.39.

For the Young Adult/Catastrophic plan, the “deductible/out-of-pocket maximum” has been raised from \$6,350 to \$6,600 per year. Our 2014 Catastrophic rates overly adjusted downwards for the fact that, with some hardship exceptions, rates are only available to ages 29 or younger. Our adjustment factor for 2015 rates is only for the aforementioned inaccuracy of the compressed age curve with its 3:1 ratio. We calculated a needed renewal for catastrophic of 68% but have chosen to grade in the correction. Hence the proposed renewal is 24.1%.

Retail Clinics will have reduced copays to match the primary care physician (PCP) rather than specialist copay with negligible price impact.

A 5-tiered drug structure (Generics-Preferred, Generics-Non-Preferred, Brand Name-Preferred, Brand Name-Non-Preferred, Specialty) is currently used for approximately 20% of our benefits. This is changing to a 4-tier structure by collapsing the Generics tiers.

13. **MARKET ADJUSTED INDEX RATE:** A summary exhibit is provided.
14. **PLAN ADJUSTED INDEX RATES:** Network factors composite to 1.00. The “cost-share” factor includes 1) pricing AVs, 2) H.S.A./Non-H.S.A. factors and 3) benefit generosity. There are 2 types of HMO network factors – HMO Open Access and Point of Service (POS).
15. **CALIBRATION:** Done for age and geography but we have elected not to rate for tobacco usage. Capping dependents under the age of 21 at 3 is implicit in the calibration.
16. **CONSUMER ADJUSTED PREMIUM RATE DEVELOPMENT:** Rate charts are provided.
17. **HHS ACTUARIAL METAL VALUES (AV):** The Federal calculator was used exclusively, without major modifications. The two HealthyBlue plans required minor modification to the AV inputs. These plans have copays on OP facility which is not accommodated by the AV calculator, so equivalent coinsurances were computed using the AV calculator continuance tables so that an input could be entered. Printouts for each plan are provided as part of the QHP binder submission under separate cover.

Some AVs changed from last year even though we have the same product portfolio and the Federal calculator “stayed the same.” The reasons are 1) 4 RX benefit options collapsed from 5 to 4 tiers, 2) 1 undocumented change of the Federal calculator was to fix it to allow the 150-200% Cost Sharing Reduction (CSR) plans to be run with a gold metal level selected as indicated in the instructions, instead of being forced to run it as platinum contrary to the instructions of last year (3 of the 4 CSR plans stayed in range but have a new AV - one had to have a copay raised to get back into range), 3) for Platinum \$0, the AV went down because we correctly ran it as a non-integrated plan this year instead of an integrated plan last year with an impact of ~ 0.2%.
18. **AV PRICING VALUES:** Our 2014 rates had used a 50%/50% blend of CF internal AVs and HHS AVs. We have graded that more toward CF's AVs for 2015 with 75% CF/25% HHS. The same 2 foundational models were used with minor modifications.
19. **MEMBERSHIP PROJECTIONS:** We had projected 80% of enrollment in HMO-based plans as of 12/31/14 in our 2014 filings. Actual data as of 5/12/14 indicate that HMO comprises 77% of our CF members. We had also expected 5% of enrollment in Platinum plans versus actuals of 23%. We incorporated both of these facts in projecting 12/31/15 enrollment. As of 5/12/14 we have 6,205 INM members and 16,960 SG members in metal products.

20. **TERMINATED PRODUCTS:** Not applicable.

21. **PLAN TYPE:** HMO and POS.

22. **WARNING ALERTS:** Per the District's instructions, we have developed our index rate with combined Small Group/Individual experience which is filled in on Worksheet 1 of the URRT, but have developed plan level rates separately as the markets are remaining separate from the federal perspective. Therefore, Worksheet 2 has only the Individual market's plan data, and all of the warnings have been triggered because the Individual totals on Worksheet 2 are less than the combined Small Group/Individual totals on Worksheet 1.

23. **RELIANCE:** None.

**BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)**

**D.C. Individual Exchange Products
Rates Effective 1/1/2015**

Actuarial Memorandum

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

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BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)
D.C. Individual Exchange Products
Rates Effective 1/1/2015
Actuarial Certification

I, Todd Switzer, am the Senior Director of Actuarial Pricing with CareFirst BlueCross BlueShield of which CareFirst BlueChoice, Incorporated is a subsidiary. I am a member of the American Academy of Actuaries. I have been involved in the development of these rates, and to the best of my knowledge and understanding, the rates in this filing have been developed in accordance with the available regulations and guidance for the Individual, non-Medigap market (on exchange) in the District of Columbia for business effective 1/1/2015. The actuarial values (AV) of the benefits proposed have been calculated with the minimally necessary modifications to the HHS AV calculator. Further, the Index rate has been developed based on my best understanding of the available regulations, guidance and sound actuarial practices and assumptions in the aggregate for the legal entity. I certify the following:

1. I am a member in good standing with the American Academy of Actuaries.
2. The projected index rate complies with applicable statutes based on my best understanding of the available guidance and sound actuarial practice and is in accordance with applicable actuarial standards including ASOP 8. The Actuarial Memorandum has been developed following the format and content prescribed in the CCIO instructions for Part III – Actuarial Memorandum.
3. The projected index rate is reasonable in relation to the projected benefits and the projected population and is based on a plausible scenario that assumes a more favorable view of the morbidity in the Individual market in the District of Columbia as described in the Actuarial Memorandum. Given the significant changes in the Individual market from 2014-2016, it is possible that the projected index rate could miss the true costs by a considerable margin up or down. If this occurs, I expect the ACA risk mitigation techniques to dampen the impact of such pricing actions with the intent to achieve long-term target pricing by the end of 2016.
4. The plan level rates are developed based only on allowed index rate modifiers in accordance with 45 CFR 156.80(d)(1) and (2) and have been calibrated to account for prescribed rating factors.
5. The percent of total premiums related to Essential Health Benefits has been estimated based on sound actuarial practice.
6. The Actuarial Values have been calculated using the HHS calculator with minimal modification which has been discussed in the Actuarial Memorandum included in this filing.

I further certify that the information in this filing represents the company's best understanding of the available guidance and regulations with regards to the rating of these products. This filing will be revised as applicable as any new guidance is released.

This filing has been prepared in accordance with the applicable Actuarial Standards of Practice.

Todd Switzer, ASA, MAAA
Senior Director, Actuarial Pricing
CareFirst BlueCross BlueShield
Mail Drop-Point 01-720
10455 Mill Run Circle
Owings Mills, MD 21117

BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)
D.C. Individual Exchange Products
Rates Effective 1/1/2015
Form Numbers

Form Numbers Associated With This Filing:

This list contains the applicable forms for the ACA products.

		In-Network	Out of Network
On Exchange	BlueChoice - Open Access	DC/CFBC/EXC/HMO/IEA (1/14) DC/CFBC/SHOP/EXC/DOCS (1/14) DC/CFBC/EXC/NATAMER (1/14) DC/CFBC/DOL APPEAL (R. 7/11) DC/CFBC/MEM/BLCRD (1/12) DC/CFBC/PT PROTECT (9/10) DC/CFBC/EXC/2015 AMEND (1/15) DC/CFBC/DB/HMO/INCENT (1/15) DC/CFBC/EXC/HMO HSA/4000 BRZ SOB (R. 1/15) (Bronze Metal Level) DC/CFBC/EXC/HMO HSA/6000 BRZ SOB (R. 1/15) (Bronze Metal Level) DC/CFBC/EXC/HMO HSA/SIL SOB (R. 1/15) (Silver Metal Level) DC/CFBC/EXC/HMO HSA/SIL 74 SOB (R. 1/15) (Silver Metal Level 200-250% FPL) DC/CFBC/EXC/HMO HSA/SIL 88 SOB (R. 1/15) (Silver Metal Level 150-200% FPL) DC/CFBC/EXC/HMO HSA/SIL 95 SOB (R. 1/15) (Silver Metal Level 100-150% FPL) DC/CFBC/EXC/HMO/GOLD 0 SOB (R. 1/15) (Gold Metal Level) DC/CFBC/EXC/HMO/GOLD 1000 SOB (R. 1/15) (Gold Metal Level) DC/CFBC/EXC/HMO/CAT SOB (R. 1/15) (Catastrophic Plan) DC/CFBC/EXC/HMO/NATAMER SOB (R. 1/15) DC/CFBC/EXC/HMO/SIL SOB (R. 1/15) (Silver Metal Level) DC/CFBC/EXC/HMO/SIL 74 SOB (R. 1/15) (Silver Metal Level 200-250% FPL) DC/CFBC/EXC/HMO/SIL 88 SOB (R. 1/15) (Silver Metal Level 150-200% FPL) DC/CFBC/EXC/HMO/SIL 95 SOB (R. 1/15) (Silver Metal Level 100-150% FPL)	N/A
	BlueChoice Plus	DC/CFBC/EXC/BC+ IN/IEA (1/14) DC/CFBC/SHOP/EXC/DOCS (1/14) DC/CFBC/EXC/NATAMER (1/14) DC/CFBC/DOL APPEAL (R. 7/11) DC/CFBC/MEM/BLCRD (1/12) DC/CFBC/PT PROTECT (9/10) DC/CFBC/EXC/2015 AMEND (1/15) DC/CFBC/DB/POS IN/INCENT (1/15) DC/CFBC/EXC/BC+IN/BRZ SOB (R. 1/15) (Bronze Metal Level) DC/CFBC/EXC/BC+IN/NATAMER SOB (R. 1/15) DC/CFBC/EXC/BC+IN/SIL SOB (R. 1/15) (Silver Metal Level) DC/CFBC/EXC/BC+IN/SIL 74 SOB (R. 1/15) (Silver Metal Level 200-250% FPL) DC/CFBC/EXC/BC+IN/SIL 88 SOB (R. 1/15) (Silver Metal Level 150-200% FPL) DC/CFBC/EXC/BC+IN/SIL 95 SOB (R. 1/15) (Silver Metal Level 100-150% FPL)	DC/CF/EXC/BC+ OON/IEA (1/14) DC/CF/SHOP/EXC/DOCS (1/14) DC/CF/EXC/NATAMER (1/14) DC/GHMSI/DOL APPEAL (R. 11/11) DC/CF/MEM/BLCRD (1/12) DC/CF/ANCILLARY AMEND (10/12) DC/GHMSI/HEALTH GUARANTEE 2/08 DC/CF/PT PROTECT (9/10) DC/CF/EXC/2015 AMEND (1/15) DC/CF/EXC/BC+OON/BRZ SOB (R. 1/15) (Bronze Metal Level) DC/CF/EXC/BC+ OON NATAMER SOB (R. 1/15) DC/CF/EXC/BC+ OON/SIL 74 SOB (R. 1/15) (Silver Metal Level 200-250% FPL) DC/CF/EXC/BC+ OON/SIL 87 SOB (R. 1/15) (Silver Metal Level 150-200% FPL) DC/CF/EXC/BC+OON/SIL 95 SOB (R. 1/15) (Silver Metal Level 100-150% FPL) DC/CF/EXC/BC+OON SIL SOB (R. 1/15) (Silver Metal Level)
	HealthyBlue	DC/CFBC/EXC/HB IN/IEA (1/14) DC/CFBC/SHOP/EXC/DOCS (1/14) DC/CFBC/EXC/NATAMER (1/14) DC/CFBC/DOL APPEAL (R. 7/11) DC/CFBC/MEM/BLCRD (1/12) DC/CFBC/PT PROTECT (9/10) DC/CFBC/EXC/2015 AMEND (1/15) DC/CFBC/DB/POS IN/INCENT (1/15) DC/CFBC/EXC/HBIN/PLAT SOB (R. 1/15) (Platinum Metal Level) DC/CFBC/EXC/HBIN/GOLD SOB (R. 1/15) (Gold Metal Level) DC/CFBC/EXC/HBIN/NATAMER SOB (R. 1/15)	DC/CF/EXC/HB OON/IEA (1/14) DC/CF/SHOP/EXC/DOCS (1/14) DC/CF/EXC/NATAMER (1/14) DC/GHMSI/DOL APPEAL (R. 11/11) DC/CF/MEM/BLCRD (1/12) DC/CF/ANCILLARY AMEND (10/12) DC/GHMSI/HEALTH GUARANTEE 2/08 DC/CF/PT PROTECT (9/10) DC/CF/EXC/2015 AMEND (1/15) DC/CF/EXC/HB OON/PLAT SOB (R. 1/15) (Platinum Metal Level) DC/CF/EXC/HB OON/GOLD SOB (R. 1/15) (Gold Metal Level) DC/CF/EXC/HB OON/NATAMER SOB (R. 1/15)

BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)
D.C. Individual Exchange Products
Rates Effective 1/1/2015
HIOS Product IDs

ACA Products in Projection Period

HIOS Product ID	HIOS Product Name	HIOS Plan ID	Suffix	HIOS Plan Name	On/Off Exchange	Product Type	Abortion Coverage	Actuarial Value	Metal Level	Unique Plan	Projected Members 12/31/2015
86052DC040	BlueChoice	86052DC0400004	01	BlueChoice Young Adult \$6600	On	Catastrophic	Yes	NA	Catastrophic	No	1,158
86052DC041	BlueChoice HSA	86052DC0410001	01	BlueChoice HSA Bronze \$4000	On	HMO	Yes	60.1%	Bronze	No	2,497
86052DC041	BlueChoice HSA	86052DC0410002	01	BlueChoice HSA Bronze \$6000	On	HMO	Yes	59.2%	Bronze	No	2,124
86052DC041	BlueChoice HSA	86052DC0410003	01	BlueChoice HSA Silver \$1300 Base	On	HMO	Yes	69.6%	Silver	No	2,164
86052DC041	BlueChoice HSA	86052DC0410003	06	BlueChoice HSA Silver \$1300 94%	On	HMO	Yes	93.2%	Silver	No	-
86052DC041	BlueChoice HSA	86052DC0410003	05	BlueChoice HSA Silver \$1300 87%	On	HMO	Yes	87.9%	Silver	No	-
86052DC041	BlueChoice HSA	86052DC0410003	04	BlueChoice HSA Silver \$1300 73%	On	HMO	Yes	73.5%	Silver	No	329
86052DC042	BlueChoice Plus	86052DC0420002	01	BlueChoice Plus Silver \$2500 Base	On	POS	Yes	70.2%	Silver	No	474
86052DC042	BlueChoice Plus	86052DC0420002	06	BlueChoice Plus Silver \$2500 94%	On	POS	Yes	93.7%	Silver	No	-
86052DC042	BlueChoice Plus	86052DC0420002	05	BlueChoice Plus Silver \$2500 87%	On	POS	Yes	87.9%	Silver	No	-
86052DC042	BlueChoice Plus	86052DC0420002	04	BlueChoice Plus Silver \$2500 73%	On	POS	Yes	73.9%	Silver	No	72
86052DC042	BlueChoice Plus	86052DC0420001	01	BlueChoice Plus Bronze \$5500	On	POS	Yes	61.5%	Bronze	No	755
86052DC040	BlueChoice	86052DC0400002	01	BlueChoice Gold \$0	On	HMO	Yes	79.3%	Gold	No	919
86052DC040	BlueChoice	86052DC0400003	01	BlueChoice Gold \$1000	On	HMO	Yes	78.3%	Gold	No	1,603
86052DC040	BlueChoice	86052DC0400001	01	BlueChoice Silver \$2000 Base	On	HMO	Yes	69.0%	Silver	No	918
86052DC040	BlueChoice	86052DC0400001	06	BlueChoice Silver \$2000 94%	On	HMO	Yes	93.2%	Silver	No	-
86052DC040	BlueChoice	86052DC0400001	05	BlueChoice Silver \$2000 87%	On	HMO	Yes	87.7%	Silver	No	-
86052DC040	BlueChoice	86052DC0400001	04	BlueChoice Silver \$2000 73%	On	HMO	Yes	72.8%	Silver	No	139
86052DC043	HealthyBlue	86052DC0430001	01	HealthyBlue Gold \$1500	On	POS	Yes	82.0%	Gold	No	1,020
86052DC043	HealthyBlue	86052DC0430002	01	HealthyBlue Platinum \$0	On	POS	Yes	89.8%	Platinum	No	3,626
											17,800

Existing Products Included in Experience Period

HIOS Product ID	HIOS Product Name	Contracts, as of 12/31/2013	Member Months	Total Premium	Total Allowed Claims	Incurred Claims
86052DC002	BlueChoice HMO Saver	15	377	\$ 66,800	\$ 33,817	\$ 26,682
86052DC004	BlueChoice HMO Open Enrollment	1,350	21,110	\$ 5,897,983	\$ 12,039,175	\$ 10,954,431
86052DC005	BlueChoice HMO HIPAA	32	352	\$ 230,261	\$ 193,255	\$ 172,088
86052DC006	HealthyBlue Triple Option	88	1,574	\$ 357,262	\$ 303,705	\$ 226,491
86052DC007	HealthyBlue Dual Option HSA	2	40	\$ 6,006	\$ 1,767	\$ 200
86052DC020	BlueChoice HMO Standard	68	1,406	\$ 6,528,754	\$ 275,415	\$ 247,133
86052DC021	BlueChoice HMO HSA	43	887	\$ 121,565	\$ 426,161	\$ 373,505
86052DC022	HealthyBlue 2.0	1,253	14,548	\$ 2,601,932	\$ 2,485,283	\$ 1,913,449
86052DC029	BlueChoice Group Conversion	6	70	\$ 30,899	\$ 8,050	\$ 7,404
86052DC034	HealthyBlue Advantage HSA	276	2,596	\$ 316,105	\$ 275,206	\$ 123,184
Total		3,133	42,960	\$ 16,157,567	\$ 16,041,833	\$ 14,044,566

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

Acronym	Definition
BC	CareFirst BlueChoice Inc.
AV	Actuarial Value
Med	Medical
Rx	Prescription Drugs
Non-CDH	Non-Consumer Driven Health
CDH	Consumer Driven Health
HSA	Health Savings Account
HRA	Health Reimbursement Account
PPO	Preferred Provider Organization
PPO HSA	Preferred Provider Organization Health Savings Account
PPO HRA	Preferred Provider Organization Health Reimbursement Account
DICR	Desired Incurred Claims Ratio
MLR	Medical Loss Ratio (as defined by PPACA)
IBNR	Incurred But Not Reported
IAF	Income Adjustment Factors
PCP	Primary Care Physician
ER	Emergency Room
OON	Out of Network
IP	Inpatient
OP	Outpatient
Prof	Professional
OOP	Out of Pocket
Co-ins	Coinsurance

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
IND64- DISTRICT OF COLUMBIA BLUECHOICE RATE CHANGE SUMMARY

	1	3	4	6	7	9	10	11	12	13	14	15
			RATE FILING Projected Members 12/31/14		ACTUALS A/O 05/12/14							
	Benefit Plan	FPL	PUBLIC ON-EXCH	%	PUBLIC ON-EXCH	%	Actual- Filing Δ	HHS AV 2014	Base Rate 1/1/14	HHS AV 2015	Base Rate 1/1/15	Δ
1	Catastrophic/Young Adult		675	6%	334	7%	0%	N/A \$	99	N/A \$	123	24.1%
2												
3	Bronze Plans											
4	BlueChoice HSA Bronze \$4,000		1,654	15%	720	14%	-1%	0.601 \$	176	0.601 \$	198	12.5%
5	BlueChoice Plus Bronze \$5,500		945	9%	218	4%	-5%	0.613 \$	209	0.615 \$	224	7.2%
6	BlueChoice HSA Bronze \$6,000		945	9%	612	12%	3%	0.592 \$	171	0.592 \$	191	12.0%
7	Subtotal:		3,544	33%	1,550	30%	-3%	0.599 \$	178	0.600 \$	199	11.5%
8												
9	Silver Plans											
10	BlueChoice HSA Silver \$1,300	100-150%	348	3%		0%	-3%	0.932 \$	245	0.932 \$	263	7.4%
11		151%-200%	387	4%		0%	-4%	0.877 \$	245	0.879 \$	263	7.4%
12		201-250%	345	3%	95	2%	-1%	0.735 \$	245	0.735 \$	263	7.4%
13		251-400%		0%		0%	0%					
14		401%+	1,080	10%	624	12%	2%	0.696 \$	245	0.696 \$	263	7.4%
15	Subtotal:		2,160	20%	719	14%	-6%	0.702 \$	245	0.702 \$	263	7.4%
16												
17	BlueChoice Silver \$2,000	100-150%	217	2%		0%	-2%	0.932 \$	249	0.932 \$	280	12.5%
18		151%-200%	242	2%		0%	-2%	0.878 \$	249	0.877 \$	280	12.5%
19		201-250%	216	2%	40	1%	-1%	0.726 \$	249	0.728 \$	280	12.5%
20		251-400%		0%		0%	0%					
21		401%+	675	6%	265	5%	-1%	0.688 \$	249	0.690 \$	280	12.5%
22	Subtotal:		1,350	13%	305	6%	-7%	0.693 \$	249	0.695 \$	280	12.5%
23												
24	BlueChoice Plus Silver \$2,500	100-150%	152	1%		0%	-1%	0.937 \$	266	0.937 \$	279	4.6%
25		151%-200%	169	2%		0%	-2%	0.878 \$	266	0.879 \$	279	4.6%
26		201-250%	151	1%	21	0%	-1%	0.739 \$	266	0.739 \$	279	4.6%
27		251-400%		0%		0%	0%					
28		401%+	473	4%	137	3%	-2%	0.701 \$	266	0.702 \$	279	4.6%
29	Subtotal:		945	9%	157	3%	-6%	0.706 \$	266	0.707 \$	279	4.6%
30												
31	Gold Plans											
32	BlueChoice Gold \$0		810	8%	265	5%	-2%	0.793 \$	333	0.793 \$	343	2.8%
33	BlueChoice Gold \$1,000		203	2%	462	9%	7%	0.783 \$	284	0.783 \$	333	17.3%
34	HealthyBlue Gold \$1,500		608	6%	294	6%	0%	0.820 \$	335	0.820 \$	372	11.0%
35	Subtotal:		1,620	15%	1,021	20%	5%	0.796 \$	311	0.796 \$	347	11.3%
36												
37	Platinum Plans											
38	HealthyBlue Platinum \$0		473	4%	1,045	20%	16%	0.900 \$	380	0.898 \$	454	19.3%
39												
40	BlueChoice		10,766	100%	5,132	100%		0.732 \$	257	0.731 \$	291	13.4%
41												
42	LOW RENEWAL (Minimum):											2.8%
43	HIGH RENEWAL (Maximum):											24.1%

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
IND64- DISTRICT OF COLUMBIA CFI RATE CHANGE SUMMARY

1	3	4	6	7	9	10	11	12	13	14	15
		RATE FILING		ACTUALS A/O 05/12/14							
		Projected Members 12/31/14									
		PUBLIC	%	PUBLIC	%	Actual-Filing	HHS	Base	HHS	Base	
		ON-EXCH		ON-EXCH		Δ	AV	Rate	AV	Rate	Δ
							2014	1/1/14	2015	1/1/15	
1	Benefit Plan	FPL									
2	Catastrophic/Young Adult	675	5%	334	5%	0%	N/A	\$ 99	N/A	\$ 123	24.1%
3	Bronze Plans										
4	BluePreferred HSA Bronze \$3,500	1,181	9%	311	5%	-4%	0.612	\$ 238	0.612	\$ 263	10.4%
5	BlueChoice HSA Bronze \$4,000	1,654	12%	720	11%	-1%	0.601	\$ 176	0.601	\$ 198	12.5%
6	BlueChoice Plus Bronze \$5,500	945	7%	218	3%	-4%	0.613	\$ 209	0.615	\$ 224	7.2%
7	BlueChoice HSA Bronze \$6,000	945	7%	612	9%	2%	0.592	\$ 171	0.592	\$ 191	12.0%
8	Subtotal:	4,725	35%	1,861	28%	-7%	0.601	\$ 188	0.602	\$ 210	11.2%
9	Silver Plans										
10	BlueChoice HSA Silver \$1,300	100-150%	348	3%	0%	-3%	0.932	\$ 245	0.932	\$ 263	7.4%
11		151%-200%	387	3%	0%	-3%	0.877	\$ 245	0.879	\$ 263	7.4%
12		201-250%	345	3%	95	1%	0.735	\$ 245	0.735	\$ 263	7.4%
13		251-400%		0%		0%					
14		401%+	1,080	8%	624	9%	0.696	\$ 245	0.696	\$ 263	7.4%
15	Subtotal:	2,160	16%	719	11%	-5%	0.702	\$ 245	0.702	\$ 263	7.4%
16	BluePreferred HSA Silver \$1,500	100-150%	152	1%	0%	-1%	0.932	\$ 301	0.932	\$ 314	4.1%
17		151%-200%	169	1%	0%	-1%	0.873	\$ 301	0.876	\$ 314	4.1%
18		201-250%	151	1%	43	1%	0.737	\$ 301	0.737	\$ 314	4.1%
19		251-400%		0%		0%					
20		401%+	473	4%	285	4%	0.684	\$ 301	0.684	\$ 314	4.1%
21	Subtotal:	945	7%	328	5%	-2%	0.691	\$ 301	0.691	\$ 314	4.1%
22	BlueChoice Silver \$2,000	100-150%	217	2%	0%	-2%	0.932	\$ 249	0.932	\$ 280	12.5%
23		151%-200%	242	2%	0%	-2%	0.878	\$ 249	0.877	\$ 280	12.5%
24		201-250%	216	2%	40	1%	0.726	\$ 249	0.728	\$ 280	12.5%
25		251-400%		0%		0%					
26		401%+	675	5%	265	4%	0.688	\$ 249	0.690	\$ 280	12.5%
27	Subtotal:	1,350	10%	305	5%	-5%	0.693	\$ 249	0.695	\$ 280	12.5%
28	BlueChoice Plus Silver \$2,500	100-150%	152	1%	0%	-1%	0.937	\$ 266	0.937	\$ 279	4.6%
29		151%-200%	169	1%	0%	-1%	0.878	\$ 266	0.879	\$ 279	4.6%
30		201-250%	151	1%	21	0%	0.739	\$ 266	0.739	\$ 279	4.6%
31		251-400%		0%		0%					
32		401%+	473	4%	137	2%	0.701	\$ 266	0.702	\$ 279	4.6%
33	Subtotal:	945	7%	157	2%	-5%	0.706	\$ 266	0.707	\$ 279	4.6%
34	Gold Plans										
35	BlueChoice Gold \$0	810	6%	265	4%	-2%	0.793	\$ 333	0.793	\$ 343	2.8%
36	BluePreferred Gold \$500	405	3%	352	5%	2%	0.783	\$ 376	0.783	\$ 425	13.3%
37	BlueChoice Gold \$1,000	203	2%	462	7%	5%	0.783	\$ 284	0.783	\$ 333	17.3%
38	HealthyBlue Gold \$1,500	608	5%	294	4%	0%	0.820	\$ 335	0.820	\$ 372	11.0%
39	Subtotal:	2,025	15%	1,373	21%	6%	0.793	\$ 328	0.793	\$ 367	11.9%
40	Platinum Plans										
41	HealthyBlue Platinum \$0	473	4%	1,045	16%	12%	0.900	\$ 380	0.898	\$ 454	19.3%
42	BluePreferred Platinum \$0	203	2%	508	8%	6%	0.882	\$ 469	0.882	\$ 541	15.3%
43	Subtotal:	675	5%	1,554	23%	18%	\$	409	\$	482	17.8%
44	TOTAL:	13,500	100%	6,631	100%	0%	\$	281	\$	317	13.0%
45		100%	100%	100%	100%						
46											
47	BlueChoice	10,766	80%	5,132	77%	-2%	0.732	\$ 257	0.731	\$ 291	13.4%
48	GHMSI	2,734	20%	1,499	23%	2%	0.761	\$ 363	0.761	\$ 406	12.1%
49	Subtotal:	13,500	100%	6,631	100%	0%	0.738	\$ 281	0.738	\$ 317	13.0%
50	PPO/HMO Ratio:							1.41		1.39	
51	LOW RENEWAL (Minimum):										2.8%
52	HIGH RENEWAL (Maximum):										24.1%

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Morbidity Impact on Small Group/Individual HMO/PPO combined

The current combined Individual/Small Group non-Grandfathered pool is expected to increase from approximately 72,700 members today to approximately 94,000 members in 2015. This 21,300 member increase is expected to come from an influx of the following new entrants:

- a) Prior IND64- grandfathered members (Underwritten, HIPAA, Group Conversion, Open Enrollment) - ~1,100 members
- b) Former large group enrollees - ~2,000 members
- c) Former small group enrollees - ~500 members
- d) Newly insured entrants who were formerly uninsured - ~3,000 members
- e) Congress - ~10,100 members
- f) Competitors - ~4,600 members

The estimated average morbidity of these 21,300 new entrants is approximately 0.99 compared to the current Small Group/Individual merged pool and when blended with the 1.00 morbidity of the current pool, yields a resultant 2015 morbidity of 1.00 in relation to the current non-Grandfathered pool.

BlueChoice, Inc.
D.C. Individual & Small Group Products - Rate Filing Effective 1/1/2014
BlueChoice D.C. Individual Non-Medigap & Small Group Allowed PMPM Projection (Includes EHB and Non-EHB Claims) - Non-Grandfathered Business Only - 1/1/2014 (Merged)

	Begin	End	Mid-point	Months of Trend	
Experience Period	1/1/2013	12/31/2013	7/1/2013		pd through
Rating Period	1/1/2015	12/31/2015	7/1/2015	24.0	3/31/2014
Experience Period Summary	Total				
Experience Period Premiums	\$ 137,679,176				
MLR Rebates (enter as negative)	\$ -				
Net Experience Period Premiums	\$ 137,679,176				
Experience Period Paid Claims (Non-Capitated)	\$ 123,160,041				
Completion Factor	0.99				
Experience Period Incurred Claims (Non-Capitated)	\$ 123,866,461				
Capitations	\$ 713,706				
Rx Rebates	\$ (2,892,799)				
Other Manual Claims	\$ -				
Total Experience Period Claims	\$ 121,687,368				
Experience Period Loss Ratio (Before MLR Rebates)	88.38%				
Experience Period Loss Ratio (After MLR Rebates)	88.38%				
Experience Period Loss Ratio (System Claims Only)	89.97%				
Experience Period Member Months	438,476				
Average Members	36,540				
End of Experience Period Contract	25,258				
End of Experience Period Members	40,243				
Experience Period Allowed Claims (System Only)	\$ 139,164,193				
Adjustments	\$ (2,179,093)				
Total Adjusted EP Allowed Claims	\$ 136,985,100				
EP Paid / Allowed Ratio	88.8%				

Service Category Level Projection

Service Category Experience Period Allowed	Utilization Measure	EP Units	EP Allowed \$	Other	Rx Rebates	Net Allowed
Inpatient	Admits	1,968	\$ 27,068,642	\$ -	\$ -	\$ 27,068,642
Outpatient	Visits	19,978	\$ 24,411,199	\$ -	\$ -	\$ 24,411,199
Professional	Visits	321,550	\$ 46,066,170	\$ -	\$ -	\$ 46,066,170
Other	Services	22,097	\$ 5,659,419	\$ -	\$ -	\$ 5,659,419
Rx	Scripts	300,654	\$ 35,958,763	\$ -	\$ (2,892,799)	\$ 33,065,964
Capitation	Average Members	36,540	\$ 713,706	\$ -	\$ -	\$ 713,706
Total			\$ 139,877,899	\$ -	\$ (2,892,799)	\$ 136,985,100
Check (excluding capitations)			16,041,833	\$ -	\$ -	0
PMPM			\$ 319.01	\$ -	\$ (6.60)	\$ 312.41

Annual Trend Inputs	
Cost Trend	Utilization Trend
7.0%	1.0%
9.5%	0.0%
0.0%	4.5%
0.0%	6.0%
7.0%	1.0%
2.0%	0.0%

Service Category Experience Period Allowed	Experience Period			Projection Factors		Cost Factor	Utilization Factor	Total Factor	Projected			Effective Allowed PMPM
	Utilization Measure	Util / 1000	Unit Cost	PMPM	Population Risk / Morbidity*	Other			Util / 1000	Unit Cost	PMPM	
Inpatient	Admits	53.86	\$ 13,753.39	\$ 61.73	1.00	0.99	1.145	1.020	1.16	\$ 54.95	\$ 15,656.85	\$ 71.69
Outpatient	Visits	546.75	\$ 1,221.89	\$ 55.67	1.00	0.99	1.199	1.000	1.19	\$ 546.75	\$ 1,456.76	\$ 66.37
Professional	Visits	8,800.02	\$ 143.26	\$ 105.06	1.00	1.04	1.000	1.092	1.13	\$ 9,609.84	\$ 148.88	\$ 119.23
Other	Services	604.74	\$ 256.12	\$ 12.91	1.00	1.29	1.000	1.124	1.45	\$ 679.49	\$ 331.50	\$ 18.77
Rx	Scripts	8,228.15	\$ 109.98	\$ 75.41	1.00	0.96	1.145	1.020	1.12	\$ 8,393.54	\$ 120.96	\$ 84.61
Capitation	Benefit Period	1,000.00	\$ 19.53	\$ 1.63	1.00	0.96	1.040	1.000	1.00	\$ 1,000.00	\$ 19.45	\$ 1.62
Total				\$ 312.41								
Projected Allowed Claims PMPM (EHB + Non-EHB)											\$ 362.29	7.0%
Non-EHB Claims In Projected PMPM**											1.20	
Index Rate for EHB											\$ 361.09	

* Please refer to page 74 for more information.

Check -

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Trend Support - Combined

		Experience Period Actual Trend		Projection Period Trend		Difference Exp vs. Proj trend	
		Rolling-12 month trend		Rolling-12 month trend			
	Total Allowed	Unit Cost	Utilization	Unit Cost	Utilization	Unit Cost	Utilization
Inpatient	\$ 27,068,642	9.0%	-0.6%	7.0%	1.0%	-2.0%	1.6%
Outpatient	\$ 24,411,199	9.3%	-1.8%	9.5%	0.0%	0.2%	1.8%
Professional	\$ 46,066,170	-0.2%	3.2%	0.0%	4.5%	0.2%	1.3%
Other	\$ 5,659,419	-0.4%	8.5%	0.0%	6.0%	0.4%	-2.5%
Rx	\$ 35,958,763	5.2%	-0.4%	7.0%	1.0%	1.8%	1.4%
Total Trend (Cost and Utilization Combined)		4.7%	0.9%	4.8%	2.2%	0.2%	1.3%
			5.6%		7.0%		1.5%

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Reinsurance Estimate

BC Benefit Factor Modeling

Base 2013 MSGR CPD

PMPM	\$	280.88
	\$	280.88
99.92%	\$	3,370.57

Frequency	Total Paid
No Claims	18.56% \$ -
\$ 0 - \$ 49	3.50% \$ 19.65
\$ 50 - \$ 99	3.29% \$ 78.28
\$ 100 - \$ 149	3.86% \$ 124.83
\$ 150 - \$ 199	3.27% \$ 174.47
\$ 200 - \$ 249	2.85% \$ 225.38
\$ 24,000 - \$ 24,999	0.13% \$ 24,578.29
\$ 25,000 - \$ 29,999	0.49% \$ 27,509.24
\$ 30,000 - \$ 34,999	0.35% \$ 32,446.11
\$ 35,000 - \$ 39,999	0.27% \$ 37,474.94
\$ 40,000 - \$ 44,999	0.19% \$ 42,497.79
\$ 45,000 - \$ 49,999	0.15% \$ 47,627.49
\$ 50,000 - \$ 54,999	0.12% \$ 52,595.92
\$ 55,000 - \$ 59,999	0.10% \$ 57,587.06
\$ 60,000 - \$ 64,999	0.08% \$ 62,670.17
\$ 65,000 - \$ 69,999	0.06% \$ 67,656.07
\$ 70,000 - \$ 74,999	0.05% \$ 72,784.83
\$ 75,000 - \$ 79,999	0.04% \$ 77,675.06
\$ 80,000 - \$ 84,999	0.04% \$ 82,894.46
\$ 85,000 - \$ 89,999	0.03% \$ 87,825.27
\$ 90,000 - \$ 94,999	0.03% \$ 92,957.06
\$ 95,000 - \$ 99,999	0.03% \$ 97,721.12
\$100,000 - \$104,999	0.02% \$ 103,261.63
\$105,000 - \$109,999	0.02% \$ 107,835.25
\$110,000 - \$114,999	0.02% \$ 113,176.34
\$115,000 - \$119,999	0.01% \$ 117,663.98
\$120,000 - \$124,999	0.02% \$ 123,001.76
\$125,000 - \$129,999	0.01% \$ 127,981.00
\$130,000 - \$134,999	0.01% \$ 133,624.21
\$135,000 - \$139,999	0.01% \$ 137,757.12
\$140,000 - \$144,999	0.01% \$ 142,633.69
\$145,000 - \$149,999	0.01% \$ 147,890.87
\$150,000 - \$154,999	0.01% \$ 153,070.20
\$155,000 - \$159,999	0.01% \$ 157,927.92
\$160,000 - \$164,999	0.01% \$ 163,808.96
\$165,000 - \$169,999	0.01% \$ 167,769.12
\$170,000 - \$174,999	0.01% \$ 172,068.51
\$175,000 - \$179,999	0.00% \$ 178,392.63
\$180,000 - \$184,999	0.00% \$ 184,483.77
\$185,000 - \$189,999	0.00% \$ 189,160.14
\$190,000 - \$194,999	0.00% \$ 192,795.68
\$195,000 - \$199,999	0.00% \$ 197,706.50
\$200,000 - \$204,999	0.00% \$ 202,424.91
\$205,000 - \$209,999	0.00% \$ 209,467.86
\$210,000 - \$214,999	0.00% \$ 214,030.78
\$215,000 - \$219,999	0.00% \$ 220,014.30
\$220,000 - \$224,999	0.00% \$ 223,270.38
\$225,000 - \$229,999	0.00% \$ 230,287.35
\$230,000 - \$234,999	0.00% \$ 233,979.65
\$235,000 - \$239,999	0.00% \$ 241,934.50
\$240,000 - \$244,999	0.00% \$ 245,076.41
\$245,000 - \$249,999	0.00% \$ 244,035.39
\$250,000 - \$254,999	0.00% \$ 254,077.38
\$255,000 - \$259,999	0.00% \$ 258,268.42
\$260,000 - \$264,999	0.00% \$ 263,897.19
\$265,000 - \$269,999	0.00% \$ 268,043.00
\$270,000 - \$274,999	0.00% \$ 275,786.33
\$275,000 - \$279,999	0.00% \$ 277,849.94
\$280,000 - \$284,999	0.00% \$ 283,203.22
\$285,000 - \$289,999	0.00% \$ 287,482.62
\$290,000 - \$294,999	0.00% \$ 293,362.02
\$295,000 - \$299,999	0.00% \$ 298,293.04
\$300,000 - \$9,999,999	0.03% \$ 460,496.96

Projected 2015 Total CPD

Proj PMPM	\$	240.18	From DICR tabs
Calc PMPM	\$	328.01	Computed from assume reins

Frequency	Total Paid	Reinsured
100.00%	\$	3,936.09
18.48%	\$ -	\$ -
3.46%	\$ 20.14	\$ -
3.26%	\$ 80.24	\$ -
3.82%	\$ 127.95	\$ -
3.24%	\$ 178.83	\$ -
2.82%	\$ 231.01	\$ -
0.16%	\$ 25,192.75	\$ -
0.64%	\$ 28,196.98	\$ -
0.46%	\$ 33,257.27	\$ -
0.36%	\$ 38,411.81	\$ -
0.25%	\$ 43,560.23	\$ -
0.19%	\$ 48,818.17	\$ -
0.15%	\$ 53,910.82	\$ -
0.13%	\$ 59,026.74	\$ -
0.11%	\$ 64,236.93	\$ -
0.08%	\$ 69,347.47	\$ -
0.07%	\$ 74,604.45	\$ 2,302.23
0.06%	\$ 79,616.93	\$ 4,808.47
0.05%	\$ 84,966.82	\$ 7,483.41
0.04%	\$ 90,020.90	\$ 10,010.45
0.04%	\$ 95,280.98	\$ 12,640.49
0.04%	\$ 100,164.14	\$ 15,082.07
0.03%	\$ 105,843.17	\$ 17,921.59
0.02%	\$ 110,531.13	\$ 20,265.57
0.03%	\$ 116,005.75	\$ 23,002.88
0.02%	\$ 120,605.58	\$ 25,302.79
0.02%	\$ 126,076.80	\$ 28,038.40
0.02%	\$ 131,180.53	\$ 30,590.26
0.02%	\$ 136,964.82	\$ 33,482.41
0.01%	\$ 141,201.05	\$ 35,600.53
0.02%	\$ 146,199.53	\$ 38,099.77
0.01%	\$ 151,588.14	\$ 40,794.07
0.01%	\$ 156,896.96	\$ 43,448.48
0.01%	\$ 161,876.12	\$ 45,938.06
0.01%	\$ 167,904.18	\$ 48,952.09
0.01%	\$ 171,963.34	\$ 50,981.67
0.01%	\$ 176,370.22	\$ 53,185.11
0.00%	\$ 182,852.45	\$ 56,426.22
0.01%	\$ 189,095.87	\$ 59,547.93
0.01%	\$ 193,889.14	\$ 61,944.57
0.00%	\$ 197,615.57	\$ 63,807.79
0.01%	\$ 202,649.16	\$ 66,324.58
0.01%	\$ 207,485.54	\$ 68,742.77
0.00%	\$ 214,704.56	\$ 72,352.28
0.00%	\$ 219,381.55	\$ 74,690.77
0.00%	\$ 225,514.65	\$ 77,757.33
0.00%	\$ 228,852.14	\$ 79,426.07
0.00%	\$ 236,044.54	\$ 83,022.27
0.00%	\$ 239,829.15	\$ 84,914.57
0.00%	\$ 247,982.86	\$ 88,991.43
0.00%	\$ 251,203.32	\$ 90,000.00
0.00%	\$ 250,136.27	\$ 90,000.00
0.00%	\$ 260,429.31	\$ 90,000.00
0.00%	\$ 264,725.13	\$ 90,000.00
0.00%	\$ 270,494.61	\$ 90,000.00
0.00%	\$ 274,744.08	\$ 90,000.00
0.00%	\$ 282,680.98	\$ 90,000.00
0.00%	\$ 284,796.18	\$ 90,000.00
0.00%	\$ 290,283.30	\$ 90,000.00
0.00%	\$ 294,669.68	\$ 90,000.00
0.00%	\$ 300,696.07	\$ 90,000.00
0.00%	\$ 305,750.37	\$ 90,000.00
0.04%	\$ 472,009.38	\$ 90,000.00

		% Claims (DICR)
Reinsurance Recoveries	\$	16.08
Less Reinsurance fee		(\$3.78)
Net Reinsurance for Plan Derivation Tab	\$	12.30
		5.1%

BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)

D.C. Individual Exchange Products
Rates Effective 1/1/2015

Single Risk Pool Desired Incurred Claims Ratio (DICR) and Average Pool Renewal

	Total	
Projected Allowed Claims PMPM (EHB and NonEHB)	\$	363.16
Projected Paid / Allowed Ratio		66.5%
Reinsurance Factor		94.9%

	PMPM	%
Projected Paid Claims (+ Capitations)	\$ 229.18	74.0%
Admin Costs	\$ 42.00	13.6%
Patient Outcome Tax	\$ 0.18	0.1%
Reinsurance		
Risk Adjustment User Fees	\$ 0.08	0.0%
Broker Commissions & Fees	\$ 8.67	2.8%
Contrib to Reserve	\$ -	0.0%
Invst Income Credit	\$ (0.00)	0.0%
Premium Taxes/Community Health Investment	\$ 6.19	2.0%
Assessment Fees	\$ 0.13	0.0%
Federal Income Tax	\$ -	0.0%
State Income Tax	\$ -	0.0%
Incentive Program	\$ 7.00	2.3%
Exchange Fee (2015)	\$ 3.10	1.0%
General Insurer Tax	\$ 9.91	3.2%
Exchange Fee (2014)	\$ 3.10	1.0%
Total	\$ 309.53	100.0%

i = incurred Claims	\$ 241.56
q = quality improvement	\$ 2.63
p = earned premiums	\$ 306.88
t = state and federal taxes	\$ 19.29
f = licensing and regulatory fee including reinsurance	\$ 3.80
n = risk corridor/risk adjustment payments	\$ -
r = risk corridor/risk adjustment receipts	\$ -
s - Reinsurance receipts	\$ 16.08
c = credibility adjustment	0%

Numerator	\$ 228.10
Denominator (same as p - t - f)	\$ 283.79
Adjusted MLR	80.38%

QI adjustment:

2013 Care data	\$ 15,131,148
Care data removed from claims for MLR purposes	\$ (91,377)
Quality Improvement Expenses	\$ 255,968
Net QI adjustment	\$ 164,591
QI Adjustment as % of care	1.09%

$$MLR = \frac{[(i + q - s + n - r)]}{[(p + s - n + r) - t - f - (s - n + r)]} + c$$

Denominator simplifies to: p-t-f

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
IND64- DC BLUECHOICE PLAN LEVEL DERIVATIONS

	1	2	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	24	25	
		ON-Exchange 2015 Projected	TOTAL 2015 Projected		PROJ INDEX RATE (Ave ALW EHB)	Market-Level Adjustments (MLA)				Mkt-Adj INDEX RATE (Post-MLA)	Plan-Level Adjustments (PLA)						Plan-Adj INDEX RATE (Plan-Level)	Pricing AV (vs Plat)		Normalization/Calibration Allowable Rating Factors			Consumer Adjusted PREMIUM RATES	
		Benefit Plan	EMMs	EMMs	%	Reins.	Risk Adj	Exch User Fees	Cumul.		Cost Share	Network & UM	Non- EHB	Catas	("HB5") Distrib & Admin	Cumul.			HHS AV	Age	Geo	Cumul.	1Q15	
1		BlueChoice: Catastrophic/Young Adult	12,418	12,418	7%	\$361	0.948	1.000	1.000	0.948	\$342	0.379	0.995	1.006	0.740	1.351	0.379	\$130	27.2%	59.8%	0.950	1.000	0.950	\$123
2																								
3		Bronze Plans																						
4		BlueChoice HSA Bronze \$4,000	26,771	26,771	14%	\$361	0.948	1.000	1.000	0.948	\$342	0.450	0.995	1.006	1.000	1.351	0.609	\$209	43.7%	60.1%	0.950	1.000	0.950	\$198
5		BlueChoice Plus Bronze \$5,500	8,099	8,099	4%	\$361	0.948	1.000	1.000	0.948	\$342	0.502	1.009	1.006	1.000	1.351	0.687	\$235	49.3%	61.5%	0.950	1.000	0.950	\$224
6		BlueChoice HSA Bronze \$6,000	22,766	22,766	12%	\$361	0.948	1.000	1.000	0.948	\$342	0.435	0.995	1.006	1.000	1.351	0.588	\$201	42.2%	59.2%	0.950	1.000	0.950	\$191
7		Subtotal:	57,636	57,636	30%	\$361	0.948	1.000	1.000	0.948	\$342	0.451	0.997	1.006	1.000	1.351	0.612	\$209	43.9%	60.0%	0.950	1.000	0.950	\$199
8																								
9		Silver Plans																						
10		BlueChoice HSA Silver \$1,300	26,726	26,726	14%	\$361	0.948	1.000	1.000	0.948	\$342	0.597	0.995	1.006	1.000	1.351	0.808	\$277	57.9%	69.6%	0.950	1.000	0.950	\$263
11		BlueChoice Silver \$2,000	11,338	11,338	6%	\$361	0.948	1.000	1.000	0.948	\$342	0.636	0.995	1.006	1.000	1.351	0.860	\$294	61.6%	69.0%	0.950	1.000	0.950	\$280
12		BlueChoice Plus Silver \$2,500	5,849	5,849	3%	\$361	0.948	1.000	1.000	0.948	\$342	0.625	1.009	1.006	1.000	1.351	0.857	\$293	61.4%	70.2%	0.950	1.000	0.950	\$279
13		Subtotal:	43,913	43,913	23%	\$361	0.948	1.000	1.000	0.948	\$342	0.611	0.997	1.006	1.000	1.351	0.827	\$283	59.3%	69.6%	0.950	1.000	0.950	\$269
14																								
15		Gold Plans																						
16		BlueChoice Gold \$0	9,853	9,853	5%	\$361	0.948	1.000	1.000	0.948	\$342	0.779	0.995	1.006	1.000	1.351	1.054	\$361	75.6%	79.3%	0.950	1.000	0.950	\$343
17		BlueChoice Gold \$1,000	17,187	17,187	9%	\$361	0.948	1.000	1.000	0.948	\$342	0.757	0.995	1.006	1.000	1.351	1.023	\$350	73.4%	78.3%	0.950	1.000	0.950	\$333
18		HealthyBlue Gold \$1,500	10,933	10,933	6%	\$361	0.948	1.000	1.000	0.948	\$342	0.835	1.009	1.006	1.000	1.351	1.144	\$392	82.0%	82.0%	0.950	1.000	0.950	\$372
19		Subtotal:	37,973	37,973	20%	\$361	0.948	1.000	1.000	0.948	\$342	0.785	0.999	1.006	1.000	1.351	1.066	\$365	76.4%	79.6%	0.950	1.000	0.950	\$347
20																								
21		Platinum Plans																						
22		HealthyBlue Platinum \$0	38,874	38,874	20%	\$361	0.948	1.000	1.000	0.948	\$342	1.018	1.009	1.006	1.000	1.351	1.395	\$478	100.0%	89.8%	0.950	1.000	0.950	\$454
23		Subtotal:	38,874	38,874	20%	\$361	0.948	1.000	1.000	0.948	\$342	1.018	1.009	1.006	1.000	1.351	1.395	\$478	100.0%	89.8%	0.950	1.000	0.950	\$454
24																								
25		TOTAL:	190,814	190,814	100%	\$361	0.948	1.000	1.000	0.948	\$342	0.665	1.000	1.006	0.983	1.351	0.896	\$307	64.3%	73.0%	0.950	1.000	0.950	\$291
26		Average:	15,901	15,901												74.0%								

28 Cost-Share Factor = Internal/Carrier-Specific Pricing AV, H.S.A./Non-H.S.A., Benefit Generosity/Induced Demand.
29 Catastrophic Factor = Adjusting rate downwards for inaccuracy of compressed CMS "3:1" curve versus internal ratio of "4.5:1."
30 Network = HMO Open Access and PPO/RPN.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Calculation of Other Projection Factors

Ind<65												
Projection Factor												Total Other Projection Factor
Service Category	Maternity	Pediatric Dental	Demographics	Pharmacy Benefit Manager Change	Autism Benefit	Mandatory Generics	Sovaldi	Incentive Program	Out of Network Fee Change	Vision	Early Renewals	
Inpatient	0.995	1.000	1.011	1.000	1.000	1.000	1.000	0.978	0.998	1.000	1.000	0.982
Outpatient	0.995	1.000	1.011	1.000	1.000	1.000	1.000	0.978	0.998	1.000	1.000	0.982
Professional	0.995	1.000	1.011	1.000	1.015	1.000	1.000	0.978	0.998	1.000	1.000	0.997
Other	1.000	1.301	1.011	1.000	1.000	1.000	1.000	0.978	0.998	1.000	1.000	1.284
Rx	0.995	1.000	1.011	0.924	1.000	1.004	1.041	0.978	0.998	1.000	1.000	0.949
Capitation	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.957	1.000	0.957

BlueChoice, Inc.
DC Small Group On & Off Exchange Products Rates Effective 1/1/2015
Calculation of Other Projection Factors

Small Group												
Projection Factor												Total Other Projection Factor
Service Category	Maternity	Pediatric Dental	Demographics	Pharmacy Benefit Manager Change	Autism Benefit	Mandatory Generics	Sovaldi	Incentive Program	Out of Network Fee Change	Vision	Early Renewals	
Inpatient	1.000	1.000	1.011	1.000	1.000	1.000	1.000	0.970	0.998	1.000	1.017	0.996
Outpatient	1.000	1.000	1.011	1.000	1.000	1.000	1.000	0.970	0.998	1.000	1.017	0.996
Professional	1.000	1.000	1.011	1.000	1.049	1.000	1.000	0.970	0.998	1.000	1.017	1.045
Other	1.000	1.301	1.011	1.000	1.000	1.000	1.000	0.970	0.998	1.000	1.017	1.296
Rx	1.000	1.000	1.011	0.924	1.000	1.004	1.041	0.970	0.998	1.000	1.017	0.962
Capitation	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.957	1.000	0.957

BlueChoice, Inc.
DC Combined On & Off Exchange Products Rates Effective 1/1/2015
Calculation of Other Projection Factors

Combined												
Projection Factor												Total Other Projection Factor
Service Category	Maternity	Pediatric Dental	Demographics	Pharmacy Benefit Manager Change	Autism Benefit	Mandatory Generics	Sovaldi	Incentive Program	Out of Network Fee Change	Vision	Early Renewals	
Inpatient	0.999	1.000	1.011	1.000	1.000	1.000	1.000	0.971	0.998	1.000	1.015	0.994
Outpatient	0.999	1.000	1.011	1.000	1.000	1.000	1.000	0.971	0.998	1.000	1.015	0.994
Professional	0.999	1.000	1.011	1.000	1.045	1.000	1.000	0.971	0.998	1.000	1.015	1.039
Other	1.000	1.301	1.011	1.000	1.000	1.000	1.000	0.971	0.998	1.000	1.015	1.294
Rx	0.999	1.000	1.011	0.924	1.000	1.004	1.041	0.971	0.998	1.000	1.015	0.961
Capitation	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.957	1.000	0.957

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

Support for "Other" adjustment factors

<u>Early Renewal Factor Derivation:</u>		Item	Calculation
	Allowed Claims		
<u>Early Renewal (Small Group Only)</u>	PMPM		
Experience Period Total Allowed PMPM of Early renewing cohort	\$ 397.23	-1	
Experience Period Total Allowed PMPM of Non-Early renewing cohort	\$ 419.26	-2	
Combined Experience Period Total Allowed PMPM	\$ 412.06	(3)	
<u>Early Renewal Adjustment Factor (Small Group Only)</u>	1.7%	-4	= (2) / (3) - 1
<u>Early Renewal Adjustment Factor (Blended Across Single Risk Pool)</u>	1.5%		
<u>Rx Discount Factor Derivation (Based on CFI Total Book of Business Data)</u>			
Grand Total New Allowed	\$ 1,154,386,773	(1)	
Grand Total Old Allowed	\$ 1,249,560,894	(2)	
\$ Difference	\$ (95,174,121)	(3)	
<u>% Difference</u>	-7.6%	(4)	= (3)/(2)
<u>Mandatory Generic Factor Derivation (Based on CFI Total Book of Business Data)</u>			
Total \$ Impact Due to Mandatory Generic Drugs	\$ 4,594,160	(1)	
Total 2013 Drug Claims	\$ 1,249,560,894	(2)	
<u>% Increase in Drug Pairs</u>	0.4%	(3)	= (1)/(2)
<u>Sovaldi Factor Derivation</u>			
% Impact to total experience period allowed PMPM	1.00%	(1)	
Experience Period Allowed Rx	\$ 75.41	(2)	
Total Experience Period Allowed	\$ 312.41	(3)	
\$ Amount of Sovaldi Drug	\$ 3.12	(4)	= (1) * (3)
<u>Sovaldi Impact to Rx Only</u>	4.10%	(5)	= (4) / (2)
<u>Changes in treatment of ABA services</u>			
<u>Ind64-</u>			
\$ Impact to Experience Period Allowed PMPM	\$ 1.74	(1)	
Experience Period Allowed PMPM for Professional Services	\$ 112.48	(2)	
<u>Changes in treatment of ABA services - Impact (to Ind64- Professional only)</u>	1.5%	(3)	= (1)/(2)
<u>Small Group</u>			
\$ Impact to Experience Period Allowed PMPM	\$ 5.15	(4)	
Experience Period Allowed PMPM for Professional Services	\$ 104.25	(5)	
<u>Changes in treatment of ABA services - Impact (to Small Group Professional only)</u>	4.9%	(6)	= (4)/(5)
<u>Changes in treatment of ABA services - Impact (Blended Across Single Risk Pool)</u>	4.5%		
<u>Demographic Factor Derivation</u>			
<u>Demographic Impact (Blended Across Single Risk Pool)</u>	1.1%		
<u>Fee Schedule Change - Out-of-Network service area</u>			
We were able to reduce a portion of our Out-of-Network fee schedule or NP3. The result is a positive impact on savings and thus a negative impact on claims experience. The value below represents the expected savings and is applied to the each service category (except capitation) of the Index Rate Derivation. It is specifically applied to all of the "Other Projection Factors".			
<u>Fee Schedule Change - Out-of-Network service area</u>	-0.2%		
<u>Changes in Maternity Utilization (Ind64- Only)</u>			
\$ PMPM Impact to total experience period allowed PMPM	\$ (1.73)	(1)	
Total Experience Period Allowed	\$ 370.32	(2)	
<u>Changes in Maternity Utilization - Impact (Ind64- Only)</u>	-0.5%	(3)	= (1)/(2)
<u>Changes in Maternity Utilization - Impact (Blended Across Single Risk Pool)</u>	-0.1%		

Note: Blended adjustments are an average of Ind64- and Small Group adjustments, weighted by claims.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Derivation of Embedded Pediatric Dental Rate
Projection Period: 1/1/2015 - 12/31/2015

#	Formula	Description	%	PMPM
1		Base D.C. Dental Allowed PMPM For Members Age 19 and Under Classes 1 -4		\$ 16.32
2		Adjustment to D.C. Benchmark Plan (D.C. FEDVIP)	-1.15%	
3	(3) = (1)*(1+(2))	Adjusted Allowed PMPM Classes 1 - 4		\$ 16.13
4		Base D.C. Dental Allowed PMPM For Members Age 19 and Under Class 5 (Ortho)		\$ 3.44
5		Adjustment to D.C. Benchmark Plan	-40%	
6	(6) = (4)*(1+(5))	Adjusted Allowed PMPM Classes 5 (Ortho)		\$ 2.06
7		Estimated Base Period Allowed PMPM Adjusted to D.C. Benchmark		\$ 18.19
8		Completion Factor (Incurred 12, Paid 14)		0.980
9	(9) = (7)/(8)	Ultimate Base Period Allowed PMPM Adjusted to D.C. Benchmark		\$ 18.56
10		Assumed Annual Trend	5.0%	
11		Assumed Trend Factor for 24 months	1.103	
12	(12) = (9)*(11)	Projected Allowed Pediatric PMPM		\$ 20.46
13		Adjustment to Dental PPO Fee Schedule	0.879	
14	(14) = (12)*(13)	Projected Allowed Pediatric PMPM Based on PPO Fee Schedule		\$ 17.98
15		Adjustment for Planned 1/1/2014 Fee Schedule Increase	1.00	
16	(16) = (14)*(15)	Projected Allowed Pediatric PMPM Adjusted for Fee Schedule Changes		\$ 17.98
13		% of D.C. Small Group & Individual, Non-Medigap Market Age 19 and Under	21.6%	
14	(14) = (12)*(13)	Projected Allowed Pediatric Dental PMPM Spread Over Single Risk Pool		\$ 3.89
15		Base Period Other Medical PMPM		\$ 12.91
16	(20) = [(18) + (19)] / (19)	Projection Factor Entered To Adjust Other Medical Category		1.301
17		Impact on Total Medical and Rx Base Period PMPM		1.012

Notes:

- Row 1** Allowed PMPM for experience period of 01/2013 - 12/2013, pd through 03/2014 for Classes 1- 4
- Row 2** Adjustment factor to account for coverage differences between current plans and DC Benchmark plan for Classes 1 - 4
- Row 4** Allowed PMPM for experience period of 01/2013 - 12/2013, pd through 03/2014 for Class 5 (Ortho)
- Row 5** Adjustment factor to account for coverage differences between current plans and DC Benchmark plan for Class 5 (Ortho), as provided by CareFirst's Dental Network Director.
- Row 11** Projected through 12/31/2015 base on current understanding that all CD exchange member's rates will change on renewal.

Months of Trend	Begin	End	Mid-point	Mo of trend
Experience Period	1/1/2013	12/31/2013	7/1/2013	
Rating Period	1/1/2015	12/31/2015	7/1/2015	24

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Vision Embedded in Medical Plan
Projection Period: 1/1/2015 - 12/31/2015

Derivation of Embedded Pediatric Vision Rate (EHB)

Small Group Embedded PMPM (Davis Vision Capitation)	\$ 1.25
% of D.C. Small Group Market Age 19 and Under	22.6%
Pediatric Vision PMPM Spread Over Small Group Market	\$ 0.28
Individual, non-Medigap Embedded PMPM (Davis Vision Capitation)	\$ 1.77
% of D.C. Individual, non-Medigap Market Age 19 and Under	7.7%
Pediatric Vision PMPM Spread Over Individual Market	\$ 0.14
Blended EHB Pediatric Vision PMPM Spread Over Entire Single Risk Pool	\$ 0.27

Derivation of Embedded Adult Vision Rate (Non-EHB, Individual Market Only)

Individual, non-Medigap Embedded PMPM (Davis Vision Capitation)	\$ 1.16
% of D.C. Individual, non-Medigap Market over Age 19	92.3%
Embedded Adult Vision PMPM Spread Over Individual Market	\$ 1.07
Blended Non-EHB Adult Vision PMPM Spread Over Entire Single Risk Pool	\$ 0.10

Derivation of Projection Factor

Total Embedded Vision PMPM	\$ 0.37
Experience Period Core Vision Capitation PMPM	\$ 0.44
\$ Change from Experience to Projection Period PMPM	\$ (0.07)
Total Experience Period Capitation PMPM	\$ 1.63
Projection Factor to Adjust Capitation Category	0.957

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Impact of new Essential Health Benefits in Individual, Non-Medigap Market

Maternity

BlueChoice already offers full maternity coverage to its Individual, Non-Medigap members. Since many competitors do not offer this coverage today, current Individual BlueChoice maternity utilization is high compared to the rest of the Individual market segment. This is projected to decrease to the D.C. Small Group level, where full maternity coverage is standard across insurers.

Individual Util/1000	31.9	Individual Cost/Case	\$1,521
D.C. Small Group Util/1000	18.2	D.C. Small Group Cost/Case	\$2,269
Expected Change in Util/1000	-13.7	Expected change in Cost/Case:	\$748
Change in Individual Allowed Cost PMPM	\$ (1.73)		
% Impact	-0.5%		
Impact of Maternity on Individual Market PMPM		\$	(1.73)
Impact on Individual & Small Group Market Combined PMPM		\$	(0.17)

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Allowed Maternity Summary

Experience Period

Incurred 10/1/12 - 9/30/13

Cost/Case		Cases/1000		Claims PMPM		% of Total PMPM		Allowed Amounts	
	<u>Maternity</u>		<u>Maternity</u>		<u>Maternity</u>		<u>Maternity</u>		
Ind PPO HSA	\$966	Ind PPO HSA	16	Ind PPO HSA	\$1.35	Ind PPO HSA	0.6%	Ind PPO HSA	\$65,033,416
Ind PPO non-CDH	\$726	Ind PPO non-CDH	18	Ind PPO non-CDH	\$1.07	Ind PPO non-CDH	0.5%	Ind PPO non-CDH	\$107,693,483
Ind Indemnity	\$2,102	Ind Indemnity	12	Ind Indemnity	\$2.06	Ind Indemnity	0.8%	Ind Indemnity	\$153,151,968
Ind HMO HSA	\$1,799	Ind HMO HSA	30	Ind HMO HSA	\$4.56	Ind HMO HSA	2.1%	Ind HMO HSA	\$23,110,865
Ind HMO non-CDH	\$1,904	Ind HMO non-CDH	23	Ind HMO non-CDH	\$3.70	Ind HMO non-CDH	1.5%	Ind HMO non-CDH	\$17,588,018
Ind HB Triple Option	\$1,882	Ind HB Triple Option	74	Ind HB Triple Option	\$11.69	Ind HB Triple Option	4.3%	Ind HB Triple Option	\$9,779,889
Ind HB HSA	\$2,121	Ind HB HSA	53	Ind HB HSA	\$9.44	Ind HB HSA	2.4%	Ind HB HSA	\$874,503
Ind HB 2.0	\$1,984	Ind HB 2.0	25	Ind HB 2.0	\$4.17	Ind HB 2.0	1.9%	Ind HB 2.0	\$33,682,459
DC 50- PPO HSA	\$2,513	DC 50- PPO HSA	13	DC 50- PPO HSA	\$2.82	DC 50- PPO HSA	0.7%	DC 50- PPO HSA	\$17,430,670
DC 50- PPO HRA	\$3,007	DC 50- PPO HRA	16	DC 50- PPO HRA	\$4.07	DC 50- PPO HRA	0.9%	DC 50- PPO HRA	\$5,097,753
DC 50- PPO	\$2,305	DC 50- PPO	18	DC 50- PPO	\$3.54	DC 50- PPO	0.8%	DC 50- PPO	\$199,548,699
DC 50- HMO HSA	\$2,122	DC 50- HMO HSA	17	DC 50- HMO HSA	\$3.01	DC 50- HMO HSA	1.5%	DC 50- HMO HSA	\$4,398,977
DC 50- HMO HRA	\$1,674	DC 50- HMO HRA	7	DC 50- HMO HRA	\$0.97	DC 50- HMO HRA	0.4%	DC 50- HMO HRA	\$1,182,741
DC 50- HMO	\$1,988	DC 50- HMO	18	DC 50- HMO	\$3.09	DC 50- HMO	1.1%	DC 50- HMO	\$32,207,977
DC 50- HMO OO	\$2,111	DC 50- HMO OO	21	DC 50- HMO OO	\$3.80	DC 50- HMO OO	1.1%	DC 50- HMO OO	\$36,230,801
DC 50- BC Adv	\$2,472	DC 50- BC Adv	32	DC 50- BC Adv	\$6.49	DC 50- BC Adv	1.7%	DC 50- BC Adv	\$4,655,884
DC 50- HB Non-CDH	\$2,730	DC 50- HB Non-CDH	15	DC 50- HB Non-CDH	\$3.37	DC 50- HB Non-CDH	1.6%	DC 50- HB Non-CDH	\$168,439
Average Group	\$2,269	Average Group	18	Average Group	\$3.52	Average Group	0.9%		
Average Individual	\$1,521	Average Individual	18	Average Individual	\$2.32	Average Individual	1.0%		

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

Autism Cost Model

Average Cost:

Assume treatment cost per hour for intensive ABA therapy	\$46
Assume treatment cost per hour for other non-intensive therapy	\$97

Children 2-5:
 Children 6-7:
 Children 8-12:
 Children 13-21:

ABA Therapy hrs/wk	Other Therapy hrs/wk	Hrs/Yr Therapy	Cost Per Year Therapy
40	0	2080	94,826
15	5	1040	60,894
0	10	520	50,668
0	8	416	40,534

Utilization:

Assume 1 in every 68 children age 1-21 have Autism or Asperger's. Assume 1 in 3 seek ABA treatment

0.49%

children age 2-5 as a % of total population
 children age 6 as a % of total population
 children age 7 as % total population
 children age 8 as % total population
 children age 9-12 as a % of total population
 children age 13-21 as a % of total population

==> 1.8%
 ==> 0.4%
 0.3%
 0.5%
 ==> 1.7%
 ==> 2.7%

Cost PMPM:

	Ind64-	Small Group
children 2-5:	\$ 0.68	\$ 1.88
Children age 6	\$ 0.10	\$ 0.31
Children age 7	\$ 0.07	\$ 0.30
Children age 8	\$ 0.10	\$ 0.25
children 9-12:	\$ 0.34	\$ 0.92
children 13-21:	\$ 0.45	\$ 1.49
total	\$ 1.74	\$ 5.15

	Ind64-	Small Group	Blended
Adjustment	1.5%	4.9%	4.5%

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Documentation for Sovaldi Estimated Cost for 2015 Exchange Filings

	US Population	320 Million
A	Number of chronic hepatitis C persons in US (source: CDC)	3.2 Million
	Cost per 90-day script of Sovaldi	\$84,000
	However, Sovaldi has to be taken with ribavirin and interferon. Cost of 90day supply of both	<u>\$10,000</u>
B	Total cost per 90-day regimen (Sovaldi + ribavirin + interferon)	\$94,000
C=A*B	Total maximum market potential for 90-day regimen (\$ Billion)	\$300 Billion
D	First quarter Sovaldi sales (Gilead Sciences 1Q14 earnings report)	\$2.27 Billion
E=D*4	Annualized 2014 Sovaldi sales assuming flat growth in Q2-Q4 {lower bound}	\$9 Billion
F=(94/84)*E	Annualized cost of regimen	\$10 Billion
	<u>Breakdown of US Population by payor mix (Million)</u>	
	Commercial	147
	Medicare	51
G	Medicaid	61
	Tricare/Other Insured	10
	Uninsured	<u>47</u>
	US Total Population (2013)	316
	<u>Number of Commercial Equivalent Membership Units (Million)</u>	
	Commercial	147
	Medicare	50
H=G*.75	Medicaid (pays 25% lower costs on brand name drugs than Medicare)	41
	Tricare	<u>10</u>
I	Total Commercial Equivalent Membership Units	248
J=F/I	Cost per commercial equivalent member per year	\$40
K	CFI Risk average allowed claim cost per year	\$4,062
L	Sovaldi regimen costs as % of allowed claims	1.0%
	(lower bound)	
	<u>Upper bound of Sovaldi regimen exposure</u>	
M	Estimated persons in Maryland infected with Hepatitis C (DHMH 2012 report)	100,000
N	CareFirst Maryland membership as % of state population	33%
B	Total cost per 90-day regimen (Sovaldi + ribavirin + interferon)	\$94,000
P	Upper bound of CareFirst Sovaldi exposure (\$ Million)	\$3,102
Q	Estimated CareFirst allowed claims in Maryland (\$ Million)	\$7,700
R	Sovaldi regimen costs as % of allowed claims	40%
	upper bound	

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Estimate of Non-EHB Claims - Individual, non-Medigap & Small Group Markets Combined

Abortion Coverage (Applies to Individual, Non-Medigap & Small Group Markets)

		2013 Member	
Total Abortion Related	Allowed Amount	Months	Exp Period PMPM
BlueChoice	\$446,872	475,831	\$0.94

Projected PMPM

1Q15	\$1.10
2Q15	\$1.12
3Q15	\$1.15
4Q15	\$1.17

Embedded Adult Vision Coverage (Applies to Individual, Non-Medigap Market Only)

Refer to page 18 for details.

Projected PMPM Spread Over Individual Market	Blended with Small Group
\$1.07	\$0.10

Projected PMPM

1Q15	\$0.10
2Q15	\$0.10
3Q15	\$0.10
4Q15	\$0.10

Projection Period Non-EHB

1Q15	\$1.20
2Q15	\$1.22
3Q15	\$1.25
4Q15	\$1.27

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Estimate of non-EHB in Experience and Projection Periods

<u>Total Abortion Related</u>	<u>Allowed Amount</u>	<u>2013 Member Months</u>	<u>Exp Period PMPM</u>	<u>Projected Allowed</u>	<u>Projected 2015 Member Months</u> <u>(On-Exchange)</u>	<u>Projected PMPM</u>
GHMSI	\$64,028	47,691	\$1.34	\$80,016	55,746	\$1.44
BlueChoice	\$21,383	42,960	\$0.50	\$100,497	190,814	\$0.53
SUM:	\$85,411	90,651	\$0.94	\$180,513	246,560	\$0.73
					Rounded up to federal minimum	\$1.00

Core Vision

Davis Vision capitation has been raised because \$10 copay has been dropped from exam.

	<u>% Membership</u>	<u>Exp Period Capitation</u>	<u>Projected Capitation PMPM</u>
Total Capitation		\$0.44	\$1.63
% pediatric members (EHB)	21%	\$0.09	\$0.27
% non-pediatric (non-EHB)	79%	\$0.35	\$1.07

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Plan Level Rate Derivation - On Exchange

Plan Name	BlueChoice Young Adult \$6600	BlueChoice HSA Bronze \$4000	BlueChoice HSA Bronze \$6000	BlueChoice HSA Silver \$1300	BlueChoice Plus Silver \$2500	BlueChoice Plus Bronze \$5500	BlueChoice Gold \$0	BlueChoice Gold \$1000	BlueChoice Silver \$2000	HealthyBlue Gold \$1500	HealthyBlue Platinum \$0	Overall On- Exchange
HIOS Product ID	86052DC040		86052DC041		86052DC042		86052DC040		86052DC043			
HIOS Plan ID	86052DC0400004	86052DC0410001	86052DC0410002	86052DC0410003	86052DC0420002	86052DC0420001	86052DC0400002	86052DC0400003	86052DC0400001	86052DC0430001	86052DC0430002	
Metal Level	Catastrophic	Bronze	Bronze	Silver	Silver	Bronze	Gold	Gold	Silver	Gold	Platinum	
Metallic AV	59.8%	60.1%	59.2%	69.6%	70.2%	61.5%	79.3%	78.3%	69.0%	82.0%	89.8%	
Index Rate (Average Allowed EHB)	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09
Market Level Adjustments:												
Reinsurance	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948	
Risk Adjustment	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Exchange User Fees	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Index Rate - Post Market Level Adj.	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$ 342.43
Cost-share factor	0.379	0.450	0.435	0.597	0.625	0.502	0.779	0.757	0.636	0.835	1.018	0.665
Network & UM	0.995	0.995	0.995	0.995	1.009	1.009	0.995	0.995	0.995	1.009	1.009	1.000
Non-EHB	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006
Catastrophic Adj	0.740	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.983
Distribution & Admin Cost	1.351	1.351	1.351	1.351	1.351	1.351	1.351	1.351	1.351	1.351	1.351	1.351
Index Rate - Plan Level	\$129.95	\$208.51	\$201.32	\$276.52	\$293.33	\$235.42	\$360.85	\$350.47	\$294.33	\$391.65	\$477.62	\$306.88
Pricing AV	37.9%	60.9%	58.8%	80.8%	85.7%	68.7%	105.4%	102.3%	86.0%	114.4%	139.5%	
Age Calibration	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950
Geo Calibration	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Smoking Calibration	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Base Premium	\$123.41	\$198.02	\$191.19	\$262.60	\$278.57	\$223.57	\$342.69	\$332.83	\$279.52	\$371.94	\$453.58	\$291.43
Projected Member Months	12,418	26,771	22,766	26,726	5,849	8,099	9,853	17,187	11,338	10,933	38,874	190,814
2014 Index Rate - Plan Level	\$110.28	\$195.09	\$189.15	\$271.04	\$295.13	\$231.25	\$369.42	\$314.60	\$275.53	\$371.49	\$421.37	\$284.85
% Change	17.84%	6.88%	6.43%	2.02%	-0.61%	1.80%	-2.32%	11.40%	6.82%	5.43%	13.35%	7.73%
2014 Base Premium	\$99.48	\$175.99	\$170.63	\$244.50	\$266.24	\$208.61	\$333.25	\$283.80	\$248.55	\$335.12	\$380.12	\$256.96
% Change	24.06%	12.52%	12.05%	7.40%	4.63%	7.17%	2.83%	17.28%	12.46%	10.99%	19.33%	13.41%

non-EHB

Core Vision (Adult)	\$1.07
Abortion	\$1.00

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
2015 Enrollment Projections by Product (BlueChoice & GHMSI)

Total Members	GF Members	PPACA Members
27,000	4,000	23,000
On Exchange	100%	23,000

% by FPL Estimate

<150%	0.0%
151%-200%	0.0%
201%-250%	3.0%
251%-400%	10.0%
>400%	87.0%

33% total will be eligible for cost-share subsidy.
Assume 13% will opt to use their premium subsidy on bronze to get a \$0 premium product.
Assume other 20% will buy silver, so overall 40% silver will be 50/50 subsidized unsubsidized.

Metal Level	% purchased	Members Purchased
Catastrophic	5%	1,158
Bronze	28%	6,455
Silver	23%	5,234
Gold	21%	4,764
Platinum	23%	5,389

			Member Months				Distribution of Non-GF Membership												
			January 60%	February 10%	March 10%	April 10%	May 3.0%	June 1.0%	July 1.0%	August 1.0%	September 1.0%	October 1.0%	November 1.0%	December 1.0%					
BlueChoice Young Adult \$6600	1,158	1,158	8,340	1,274	1,158	1,043	278	81	70	58		46	35	23	12	12,418			
Bronze Plans	6,455																		
BluePreferred HSA Bronze \$3,500	17%	1,079	7,766	1187	1079	971	259	76	65	54		43	32	22	11	11,563			
BlueChoice HSA Bronze \$4,000	39%	2,497	17,980	2747	2497	2248	599	175	150	125		100	75	50	25	26,771			
BlueChoice Plus Bronze \$5,500	12%	755	5,439	831	755	680	181	53	45	38		30	23	15	8	8,099			
BlueChoice HSA Bronze \$6,000	33%	2,124	15,291	2336	2124	1911	510	149	127	106		85	64	42	21	22,766			
Silver Plans	5,234																		
BlueChoice HSA Silver \$1,300	41%	2,164	15,584	2381	2164	1948	519	152	130	108		87	65	43	22	23,202			
CSR 200-250%	6%	329	2,366	362	329	296	79	23	20	16		13	10	7	3	3,523			
CSR 150-200%	0%	0	-	0	0	0	0	0	0	0		0	0	0	0	0			
CSR 100-150%	0%	0	-	0	0	0	0	0	0	0		0	0	0	0	0			
BluePreferred HSA Silver \$1,500	19%	987	7,110	1086	987	889	237	69	59	49		39	30	20	10	10,586			
CSR 200-250%	3%	150	1,080	165	150	135	36	10	9	7		6	4	3	1	1,607			
CSR 150-200%	0%	0	-	0	0	0	0	0	0	0		0	0	0	0	0			
CSR 100-150%	0%	0	-	0	0	0	0	0	0	0		0	0	0	0	0			
BlueChoice Silver \$2,000	18%	918	6,611	1010	918	826	220	64	55	46		37	28	18	9	9,843			
CSR 200-250%	3%	139	1,004	153	139	125	33	10	8	7		6	4	3	1	1,495			
CSR 150-200%	0%	0	-	0	0	0	0	0	0	0		0	0	0	0	0			
CSR 100-150%	0%	0	-	0	0	0	0	0	0	0		0	0	0	0	0			
BlueChoice Plus Silver \$2,500	9%	474	3,411	521	474	426	114	33	28	24		19	14	9	5	5,078			
CSR 200-250%	1%	72	518	79	72	65	17	5	4	4		3	2	1	1	771			
CSR 150-200%	0%	0	-	0	0	0	0	0	0	0		0	0	0	0	0			
CSR 100-150%	0%	0	-	0	0	0	0	0	0	0		0	0	0	0	0			
Gold Plans	4,764																		
BlueChoice Gold \$0	19%	919	6,618	1011	919	827	221	64	55	46		37	28	18	9	9,853			
BluePreferred Gold \$500	26%	1,221	8,794	1343	1221	1099	293	85	73	61		49	37	24	12	13,093			
BlueChoice Gold \$1,000	34%	1,603	11,544	1764	1603	1443	385	112	96	80		64	48	32	16	17,187			
HealthyBlue Gold \$1,500	21%	1,020	7,343	1122	1020	918	245	71	61	51		41	31	20	10	10,933			
Platinum Plans	5,389																		
HealthyBlue Platinum \$0	67%	3,626	26,109	3989	3626	3264	870	254	218	181		145	109	73	36	38,874			
BluePreferred Platinum \$0	33%	1,763	12,692	1939	1763	1586	423	123	106	88		71	53	35	18	18,897			
BluePreferred Subtotal	22.6%	5,200	37,441	5,720	5,200	4,680	1,248	364	312	260		208	156	104	52	55,746			
BlueChoice Subtotal	77.4%	17,800	128,159	19,580	17,800	16,020	4,272	1,246	1,068	890		712	534	356	178	190,814			
Grand Total		23,000	165,600	25,300	23,000	20,700	5,520	1,610	1,380	1,150		920	690	460	230	246,560			
																Member Months			
																Member Months			

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Metallic AV Adjustments

Adjustments to AV for plans not accommodated by calculator:

- 1) HealthyBlue Gold \$1,500 has a \$40 copay on Outpatient Facility and Outpatient Physician services in-network, which cannot be accommodated by the model.

To adjust for this, we have computed an actuarially equivalent coinsurance by dividing the \$40 copay by the average allowed amount computed from the continuance table in the federal AV model. The computed coinsurances are shown on page 20 of the attached file, labeled 'AV Calculations.'

- 2) HealthyBlue Platinum \$0 has a \$30 copay on Outpatient Facility and Outpatient Physician services in-network, which cannot be accommodated by the model.

To adjust for this, we have computed an actuarially equivalent coinsurance by dividing the \$30 copay by the average allowed amount computed from the continuance table in the federal AV model. The computed coinsurances are shown on page 21 of the attached file, labeled 'AV Calculations.'

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Pricing AV

Projected EMMS	Plan Name	AV w/ Federal model (Different allowed per metal)	AV from internal Model (Fixed allowed per metal)	AV from internal Model All Silver at Base	Benefit Generosity (Adj. allowed per fed Model)	Benefit Generosity Scaled	HSA vs Non-HSA (Adj for HSA behavior)	HSA vs Non-HSA Scaled	Network Factors	Network Factors Scaled
12,418	BlueChoice Young Adult \$6600		42.3%	42.3%	0.92	0.94	0.92	0.95	1.00	1.00
26,771	BlueChoice HSA Bronze \$4000	60.1%	47.0%	47.0%	0.92	0.94	0.92	0.95	1.00	1.00
22,766	BlueChoice HSA Bronze \$6000	59.2%	45.0%	45.0%	0.92	0.94	0.92	0.95	1.00	1.00
23,202	BlueChoice HSA Silver \$1300	69.6%	61.7%	61.7%	0.95	0.97	0.92	0.95	1.00	1.00
3,523	Silver 200	73.5%	67.8%	61.7%	0.96	0.99	1.01	1.04	1.00	1.00
0	Silver 150	87.9%	82.8%	61.7%	1.05	1.08	1.01	1.04	1.00	1.00
0	Silver 100	93.2%	91.9%	61.7%	1.11	1.14	1.01	1.04	1.00	1.00
5,078	BlueChoice Plus Silver \$2500	70.2%	58.5%	58.5%	0.95	0.97	1.01	1.04	1.01	1.01
771	Silver 200	73.9%	68.8%	58.5%	0.96	0.99	1.01	1.04	1.01	1.01
0	Silver 150	87.9%	82.4%	58.5%	1.05	1.08	1.01	1.04	1.01	1.01
0	Silver 100	93.7%	91.9%	58.5%	1.11	1.14	1.01	1.04	1.01	1.01
8,099	BlueChoice Plus Bronze \$5500	61.5%	47.5%	47.5%	0.92	0.94	1.01	1.04	1.01	1.01
9,853	BlueChoice Gold \$0	79.3%	70.7%	70.7%	1.00	1.03	1.01	1.04	1.00	1.00
17,187	BlueChoice Gold \$1000	78.3%	68.2%	68.2%	1.00	1.03	1.01	1.04	1.00	1.00
9,843	BlueChoice Silver \$2000	69.0%	60.3%	60.3%	0.95	0.97	1.01	1.04	1.00	1.00
1,495	Silver 200	72.8%	68.7%	60.3%	0.96	0.99	1.01	1.04	1.00	1.00
0	Silver 150	87.7%	82.4%	60.3%	1.05	1.08	1.01	1.04	1.00	1.00
0	Silver 100	93.2%	91.9%	60.3%	1.11	1.14	1.01	1.04	1.00	1.00
10,933	HealthyBlue Gold \$1500	82.0%	76.7%	76.7%	1.00	1.03	1.01	1.04	1.01	1.01
38,874	HealthyBlue Platinum \$0	89.8%	88.4%	88.4%	1.07	1.10	1.01	1.04	1.01	1.01
190,814			63.2%	63.0%	0.97	1.00	0.97	1.00	1.00	1.00
Silver Average			61.9%							
Fed Ave Cost-Share Subsidy on Silver			1.0%							

Internal AV model was developed using 2012 small group claims data. This was done because the projected increase in morbidity means the claims distribution is more similar to the projected guaranteed issue pool (in terms of ultimate risk profile) than our current Individual Underwritten distribution. Using the higher small group claims continuance table more accurately estimated future AVs.

Have not updated internal AV model since 2014 filing, consistent with federal AV calculator remaining the same to promote benefit stability.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Derivation of Network Factors

BlueChoice Network Variations

Type	Description
BlueChoice Open Access	No Referrals needed for Specialist Care, No Out of Network Coverage
BlueChoice Plus & HealthyBlue	No Referrals needed, Out of Network allowances pay up to RPN allowance

	In Network	Out of Network
Estimated Utilization Split for BlueChoice Plus	90.0%	10.0%
Allowances Relativity	1.000	1.136
Final Factor for BlueChoice Plus & HealthyBlue		1.014

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Catastrophic Adjustment

PRODT_JURDCN_CD	D	District of Columbia
PRCG_ORGN_CD	C	BlueChoice

Row Labels	Sum of MEMB_COUNT	Sum of MEMB_AGE	Sum of CF Age Factor	Sum of DC Age Factor
HMO-ACA_HSA-Bronze-4000	636	25,022	1,154	715
HMO-ACA_HSA-Bronze-6000	561	21,727	992	621
HMO-ACA_HSA-Silver-1300	646	24,994	1,163	719
HMO-ACA-Catastrophic-CAT	270	6,977	292	196
HMO-ACA-Gold-0	240	8,412	359	231
HMO-ACA-Gold-1000	449	16,025	727	462
HMO-ACA-Silver-2000	273	10,125	457	284
POS-ACA-Bronze-5500	197	7,306	331	207
POS-ACA-Gold-1500	263	9,418	412	262
POS-ACA-Platinum-0	986	34,481	1,495	958
POS-ACA-Silver-2500	142	5,704	266	164
Grand Total	4,663	170,191	7,647	4,819

	Members	Sum of Ages	Sum of CF Factors	Sum of DC Factors	Ave Age	Ave CF Factor	Ave DC Factor
Catastrophic	270	6,977	292	196	25.8	1.083	0.726
Non-Catastrophic	4,393	163,214	7,355	4,623	37.2	1.674	1.052
Catastrophic ratio to entire pool						0.647	0.690

Internal age curve indicates catastrophic members should have claim costs 64.7% of the entire pool based on much younger demographics. DC curve actually charges 69.0% on average. So need to adjust catastrophic plan-level index rate by $0.647/0.690 = 0.937$.

Needed Cat Adjustment	0.937
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BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Utilization Impact

	<u>GHMSI HSA</u>			<u>GHMSI HRA</u>			Utilization Difference (HSA/HRA -1)
	Cases/1000	Claims PMPM	Claims PMPM as % of Total	Cases/1000	Claims PMPM	Claims PMPM as % of Total	
Emergency Room - Facility & Professional	349	\$11.55	2.8%	366	\$10.99	2.2%	-4.6%
Skilled Nursing Facility - I/P - Facility & Professional	6	\$0.42	0.1%	9	\$1.02	0.2%	-33.3%
Inpatient Facility	59	\$64.52	15.6%	59	\$74.34	14.8%	0.0%
Inpatient Professional	386	\$12.82	3.1%	405	\$16.42	3.3%	-4.7%
Ambulatory Surgical Center - Facility & Professional	259	\$13.58	3.3%	276	\$14.13	2.8%	-6.2%
Outpatient Facility	678	\$63.75	15.4%	702	\$85.12	16.9%	-3.4%
Outpatient Professional	10,353	\$132.23	31.9%	11,067	\$138.64	27.6%	-6.5%
RX	10,394	\$115.81	27.9%	11,828	\$162.41	32.3%	-12.1%
Total	22,484	\$414.68	100.0%	24,712	\$503.07	100.0%	-9.0%

To estimate the impact the presence of an HSA account has on utilization, we used small group data (future projected state of Individual market in terms of ultimate risk profile) because it has very large credible blocks of both HSAs and HRAs, which have similar benefits but differ in whether the member can contribute their own money to the account. The above shows that owning the HSA bank account leads to lower overall utilization.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Age Factor Calibration

PRODT_JURDCN_CD	D	District of Columbia
PRCG_ORGN_CD	C	BlueChoice

Member Age	Member Count	Total*Age Factor	Age Rate
0-20	303	198	\$ 223.09
21	19	14	\$ 248.00
22	40	29	\$ 248.00
23	54	39	\$ 248.00
24	75	55	\$ 248.00
25	156	113	\$ 248.00
26	264	192	\$ 248.00
27	243	177	\$ 248.00
28	228	170	\$ 253.80
29	224	170	\$ 259.25
30	208	162	\$ 265.73
31	177	141	\$ 272.56
32	166	136	\$ 278.70
33	151	126	\$ 285.18
34	138	118	\$ 292.00
35	128	112	\$ 298.82
36	111	99	\$ 305.65
37	99	91	\$ 312.47
38	103	95	\$ 316.22
39	81	76	\$ 319.97
40	83	81	\$ 332.59
41	82	83	\$ 345.56
42	87	92	\$ 359.20
43	82	90	\$ 373.19
44	76	86	\$ 387.86
45	52	61	\$ 402.87
46	63	77	\$ 418.56
47	72	92	\$ 434.93
48	82	109	\$ 451.99
49	68	94	\$ 469.73
50	62	89	\$ 488.15
51	80	119	\$ 507.25
52	69	107	\$ 527.04
53	52	83	\$ 547.50
54	70	117	\$ 568.99
55	48	83	\$ 591.17
56	77	139	\$ 614.36
57	58	109	\$ 638.24
58	64	124	\$ 663.14
59	65	131	\$ 689.07
60	48	101	\$ 716.02
61	68	148	\$ 743.99
62	68	148	\$ 743.99
63	57	124	\$ 743.99
64+	62	135	\$ 743.99
Grand Total	4,663	4,936	

Avg Age Factor: 1.059
Weighted Avg Age: 42
Closest Fed Factor for Weighted Ave Age: 1.053
Calibration Factor: = 1/1.053 = 0.950

\$ 361.09

Appendix

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

Rating Methodology

Rates in 2015 will be developed using a member-level build-up.

For each member in a family, that member's age and geographic factor will be multiplied together to get the composite member factor.

Once the member's composite factor is computed, they are added together to get the total factor for policy. Each family member is included in the calculation, except for families that have four or more children 20 years or younger. For these families, only the three oldest children under 21 years of age are included. All children 21 years or older are included for all families.

Note that the factors are not rounded when they are multiplied. The multiplication of a 3-digit age factor and a 3-digit geo factor result in a composite factor with 9 digits after the decimal.

After the policy's total factor is computed by summing the family members, this total factor is multiplied by the base rate. The final result is then rounded to the nearest dollar.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Reserve Calculation Methodology

We use an IBNR model which is based on the most recent 36 lag months. The great majority of our IBNR is held in the first few lag months (lags 0 through 2), and the completion factors for lags 0-2 are more variable than for other lags. We use a variety of metrics for setting our Incurred Claim estimate for lags 0-2. The metrics we consider include, but are not limited to, incurred claims trend, straight paid claims, inventory levels, loss ratios, and seasonal effects.

For lags 3-35, we use an IBNR method called "Chain and Ladder" method in calculating the IBNR. For lags 36-41, we retain history to have available additional trend factors to be used in the analysis of the reserves. We assume the claims in lags 36-41 are to be 100% complete. The chain-and-ladder develops a set of completion factors based on the completion ratio experience for each product.

The Chain and Ladder model uses the most recent 6 completion ratios for a given lag duration (0 to 34) and applies a smoothing method to estimate these completion ratios. Assuming a completion factor of 1.0 for lags 35 and greater, the completion factor for lag 34 is calculated by taking the product of the estimated completion ratio and completion factor for lag 35. Completion factors for lags 33 to 0 are calculated using this method. We divide the "paid to date" dollars by these completion factors for the given lag month which in turn is used to develop an estimated total incurred amount and corresponding IBNR.

All these factors are considered together to choose an incurred dollar estimate that is consistent with the completion factors, trends, and loss ratios that we have experienced historically for the product line for which we are setting the reserve.

The claims in this experience period of data run from January 2010 and are paid through March 2014. The claims are also incurred through the same time period. All of the months are completed using the methodology described above. Please see the paid, completion factors and corresponding reserve on the next pages. But, for purposes of pricing we only consider an experience period of January 2013 with paid through March 2014 and incurred through December 2013, or an Incurred 12, Paid 15 experience period. Thus we do not include the most recent 2 months in our rating estimates since these months have a higher probability of recasting.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
2015 DC Age Rating Factors

% Δ

Age Band	Age Factor	Age Factor
0-20	0.654	
21	0.727	11.2%
22	0.727	0.0%
23	0.727	0.0%
24	0.727	0.0%
25	0.727	0.0%
26	0.727	0.0%
27	0.727	0.0%
28	0.744	2.3%
29	0.760	2.2%
30	0.779	2.5%
31	0.799	2.6%
32	0.817	2.3%
33	0.836	2.3%
34	0.856	2.4%
35	0.876	2.3%
36	0.896	2.3%
37	0.916	2.2%
38	0.927	1.2%
39	0.938	1.2%
40	0.975	3.9%
41	1.013	3.9%
42	1.053	3.9%
43	1.094	3.9%
44	1.137	3.9%
45	1.181	3.9%
46	1.227	3.9%
47	1.275	3.9%
48	1.325	3.9%
49	1.377	3.9%
50	1.431	3.9%
51	1.487	3.9%
52	1.545	3.9%
53	1.605	3.9%
54	1.668	3.9%
55	1.733	3.9%
56	1.801	3.9%
57	1.871	3.9%
58	1.944	3.9%
59	2.020	3.9%
60	2.099	3.9%
61	2.181	3.9%
62	2.181	0.0%
63	2.181	0.0%
64+	2.181	0.0%

CareFirst BlueCross BlueShield (BlueChoice)
D.C. Individual Exchange Products - Rates Effective 1/1/2015
BlueChoice D.C. Small Group & Individual Base Experience Medical Inpatient
Experience Period: Incurred 201301 - 201312, Paid through 201403

						Completed		Rolling 12 PMPM			Rolling 12 Trend					
Month	Contracts	Members	Allowed	Admits	Completion Factor	Allowed	Admits	Allowed	Admits/1000	Unit Cost	Allowed	Admits/1000	Unit Cost			
201104	20,179	32,103	1,489,395	143	1.00	1,489,395	143									
201105	20,433	32,618	2,812,666	169	1.00	2,812,666	169									
201106	20,558	32,743	1,569,735	142	1.00	1,569,735	142									
201107	20,647	32,974	1,420,853	148	1.00	1,420,853	148									
201108	20,844	33,208	1,789,689	152	1.00	1,789,689	152									
201109	21,046	33,538	1,954,786	151	1.00	1,954,786	151									
201110	21,026	33,329	1,439,394	140	1.00	1,439,394	140									
201111	21,175	33,483	2,013,170	182	1.00	2,013,170	182									
201112	21,594	34,138	1,616,222	166	1.00	1,616,222	166									
201201	21,693	34,301	2,009,919	192	1.00	2,009,919	192									
201202	21,999	34,878	2,727,712	174	1.00	2,727,712	174									
201203	22,133	35,090	2,331,145	161	1.00	2,331,257	161							57.59	57.26	\$12,070.16
201204	22,251	35,294	1,584,525	141	1.00	1,584,696	141							57.37	56.75	\$12,132.34
201205	22,108	35,120	1,759,920	141	1.00	1,760,336	141							54.44	55.58	\$11,755.09
201206	22,593	35,883	1,645,405	146	1.00	1,645,909	146							54.21	55.27	\$11,770.20
201207	22,715	36,080	2,100,653	157	1.00	2,101,284	157							55.45	55.12	\$12,071.76
201208	23,030	36,529	1,745,314	157	1.00	1,745,949	157							54.90	54.83	\$12,016.84
201209	23,253	36,879	2,166,928	167	1.00	2,167,768	167							54.97	54.85	\$12,027.20
201210	23,369	37,068	2,381,986	188	1.00	2,383,063	188							56.71	55.72	\$12,212.40
201211	23,881	37,872	1,348,229	148	1.00	1,349,057	148							54.58	54.21	\$12,083.45
201212	24,214	38,435	1,543,812	150	1.00	1,544,960	150	53.88	53.23	\$12,146.24						
201301	24,621	39,171	2,292,325	184	1.00	2,294,540	184	53.93	52.42	\$12,344.51						
201302	24,792	39,397	1,875,749	183	1.00	1,878,149	183	51.46	52.14	\$11,843.75						
201303	24,950	39,658	3,970,770	177	1.00	3,976,655	177	54.61	52.04	\$12,592.52						
201304	25,094	39,885	2,897,217	173	1.00	2,902,838	173	56.97	52.37	\$13,054.40						
201305	25,173	39,831	2,163,004	185	1.00	2,168,580	185	57.28	53.00	\$12,969.17						
201306	25,507	40,354	1,655,462	164	1.00	1,660,318	164	56.76	52.96	\$12,858.78						
201307	25,551	40,481	3,282,567	210	1.00	3,294,587	211	58.78	53.85	\$13,099.17						
201308	25,836	40,969	2,481,955	210	0.99	2,496,208	211	59.82	54.72	\$13,118.32						
201309	25,931	41,107	2,416,767	187	0.99	2,436,094	189	59.86	54.78	\$13,112.22						
201310	25,875	41,086	2,208,549	169	0.99	2,238,682	171	59.05	53.90	\$13,147.61						
201311	26,103	41,553	2,010,873	183	0.98	2,051,808	187	60.06	54.45	\$13,237.02						
201312	26,846	42,793	1,894,928	157	0.97	1,956,015	162	60.36	54.25	\$13,352.03						
201401	27,338	44,096	2,355,294	179	0.93	2,522,821	192	60.22	53.89	\$13,409.75	11.7%	2.8%	8.6%			
201402	26,670	43,171	1,574,237	148	0.80	1,966,869	185	59.94	53.52	\$13,439.27	16.5%	2.7%	13.5%			
201403	25,831	41,851	557,405	54	0.36	1,533,007	149	54.76	52.62	\$12,490.03	0.3%	1.1%	-0.8%			
Experience Period	306,279	486,285	29,150,166	2,182	0.99	29,354,475	2,199									
41334	24,950	39,658										-5.2%	-9.1%	4.3%		
41518	25,931	41,107										8.9%	-0.1%	9.0%		
41609	26,846	42,793										12.0%	1.9%	9.9%		
Avg last 6 months	26,024	41,332										8.3%	-0.6%	9.0%		
Selected Pricing Trend												1.0%	7.0%			

CareFirst BlueCross BlueShield (BlueChoice)
D.C. Individual Exchange Products - Rates Effective 1/1/2015
BlueChoice D.C. Small Group & Individual Base Experience Medical Outpatient
Experience Period: Incurred 201301 - 201312, Paid through 201403

Month	Contracts	Members	Allowed	Visits	Completion Factor	Completed		Rolling 12 PMPM			Rolling 12 Trend		
						Allowed	Visits	Allowed	Visits/1000	Unit Cost	Allowed	Visits/1000	Unit Cost
201104	20,179	32,103	1,413,257	1,442	1.00	1,413,257	1,442						
201105	20,433	32,618	1,388,754	1,549	1.00	1,388,754	1,549						
201106	20,558	32,743	1,467,302	1,554	1.00	1,467,302	1,554						
201107	20,647	32,974	1,399,531	1,409	1.00	1,399,531	1,409						
201108	20,844	33,208	1,700,475	1,578	1.00	1,700,475	1,578						
201109	21,046	33,538	1,691,254	1,567	1.00	1,691,254	1,567						
201110	21,026	33,329	1,701,282	1,600	1.00	1,701,282	1,600						
201111	21,175	33,483	1,658,386	1,553	1.00	1,658,386	1,553						
201112	21,594	34,138	1,653,541	1,558	1.00	1,653,541	1,558						
201201	21,693	34,301	1,566,499	1,609	1.00	1,566,499	1,609						
201202	21,999	34,878	1,656,539	1,608	1.00	1,656,539	1,608						
201203	22,133	35,090	1,786,285	1,809	1.00	1,786,370	1,809						
201204	22,251	35,294	1,574,810	1,535	1.00	1,574,980	1,535						
201205	22,108	35,120	1,776,927	1,715	1.00	1,777,340	1,715						
201206	22,593	35,883	1,964,741	1,640	1.00	1,965,323	1,640						
201207	22,715	36,080	1,953,920	1,723	1.00	1,954,545	1,724						
201208	23,030	36,529	2,151,772	1,767	1.00	2,152,565	1,768						
201209	23,253	36,879	1,613,743	1,667	1.00	1,614,368	1,668						
201210	23,369	37,068	1,920,511	1,759	1.00	1,921,506	1,760						
201211	23,881	37,872	1,763,406	1,658	1.00	1,764,521	1,659						
201212	24,214	38,435	2,020,546	1,703	1.00	2,022,101	1,704						
201301	24,621	39,171	2,044,249	1,879	1.00	2,046,197	1,881	50.73	560.47	\$1,086.24	8.6%	-1.2%	9.9%
201302	24,792	39,397	2,175,420	1,775	1.00	2,177,965	1,777	51.39	559.33	\$1,102.60			
201303	24,950	39,658	2,058,121	1,853	1.00	2,061,297	1,856	51.48	554.88	\$1,113.39			
201304	25,094	39,885	2,042,752	1,948	1.00	2,046,728	1,952	52.00	560.30	\$1,113.76			
201305	25,173	39,831	2,570,830	2,019	1.00	2,577,398	2,024	53.22	562.64	\$1,135.07			
201306	25,507	40,354	2,157,718	1,818	1.00	2,163,940	1,823	53.13	561.94	\$1,134.65			
201307	25,551	40,481	2,389,011	1,837	1.00	2,397,718	1,844	53.58	559.73	\$1,148.77			
201308	25,836	40,969	2,045,610	1,725	0.99	2,057,493	1,735	52.87	553.61	\$1,146.11			
201309	25,931	41,107	2,081,197	1,774	0.99	2,097,876	1,788	53.42	551.73	\$1,161.93			
201310	25,875	41,086	2,230,406	1,919	0.99	2,260,445	1,945	53.68	551.74	\$1,167.57			
201311	26,103	41,553	2,278,239	1,795	0.98	2,324,365	1,831	54.43	551.81	\$1,183.76			
201312	26,846	42,793	2,378,527	1,724	0.97	2,455,508	1,780	54.84	548.73	\$1,199.23			
201401	27,338	44,096	2,682,567	1,872	0.93	2,873,107	2,005	55.97	546.26	\$1,229.55	10.3%	-2.5%	13.2%
201402	26,670	43,171	1,840,173	1,606	0.80	2,300,476	2,008	55.79	547.68	\$1,222.43	8.6%	-2.1%	10.9%
201403	25,831	41,851	897,506	791	0.36	2,507,390	2,226	56.44	554.19	\$1,222.17	9.6%	-0.1%	9.8%
Experience Period													
306,279 486,285 26,452,080 22,066 0.99 26,666,931 22,237													
41334 24,950 39,658 8.6% -1.2% 9.9%													
41518 25,931 41,107 6.8% -2.2% 9.2%													
41609 26,846 42,793 9.2% -1.9% 11.3%													
Avg last 6 months 26,024 41,332 7.4% -1.8% 9.3%													
Selected Pricing Trend												0.0%	9.5%

CareFirst BlueCross BlueShield (BlueChoice)
D.C. Individual Exchange Products - Rates Effective 1/1/2015
BlueChoice D.C. Small Group & Individual Base Experience Medical Professional
Experience Period: Incurred 201301 - 201312, Paid through 201403

						Completed		Rolling 12 PMPM			Rolling 12 Trend						
Month	Contracts	Members	Allowed	Visits	Completion Factor	Allowed	Visits	Allowed	Visits/1000	Unit Cost	Allowed	Visits/1000	Unit Cost				
201104	20,179	32,103	2,962,279	19,737	1.00	2,962,279	19,737										
201105	20,433	32,618	2,968,443	20,067	1.00	2,968,443	20,067										
201106	20,558	32,743	3,153,064	21,062	1.00	3,153,064	21,062										
201107	20,647	32,974	2,825,252	18,748	1.00	2,825,252	18,748										
201108	20,844	33,208	3,303,887	21,082	1.00	3,303,887	21,082										
201109	21,046	33,538	3,149,513	20,235	1.00	3,149,513	20,235										
201110	21,026	33,329	3,190,070	21,049	1.00	3,190,070	21,049										
201111	21,175	33,483	3,345,780	20,599	1.00	3,345,780	20,599										
201112	21,594	34,138	3,200,930	23,280	1.00	3,200,930	23,280										
201201	21,693	34,301	3,659,350	25,226	1.00	3,659,350	25,226										
201202	21,999	34,878	3,593,237	25,758	1.00	3,593,237	25,758										
201203	22,133	35,090	3,903,079	27,604	1.00	3,903,268	27,605							97.55	7,886.07	\$148.44	
201204	22,251	35,294	3,516,381	25,004	1.00	3,516,771	25,007							98.15	7,979.94	\$147.60	
201205	22,108	35,120	3,717,724	26,633	1.00	3,718,587	26,639							99.39	8,124.27	\$146.80	
201206	22,593	35,883	3,536,399	25,593	1.00	3,537,466	25,601							99.56	8,194.68	\$145.80	
201207	22,715	36,080	3,644,796	25,000	1.00	3,645,955	25,008							100.80	8,314.55	\$145.48	
201208	23,030	36,529	3,961,883	27,997	1.00	3,963,343	28,007							101.58	8,447.41	\$144.29	
201209	23,253	36,879	3,519,808	24,315	1.00	3,521,177	24,324							101.65	8,496.93	\$143.56	
201210	23,369	37,068	3,854,898	27,127	1.00	3,856,794	27,140							102.33	8,594.23	\$142.88	
201211	23,881	37,872	3,653,363	26,142	1.00	3,655,661	26,158							102.00	8,661.79	\$141.31	
201212	24,214	38,435	3,558,489	25,381	1.00	3,561,224	25,401							101.82	8,634.63	\$141.51	
201301	24,621	39,171	4,551,786	31,036	1.00	4,556,138	31,066	102.74	8,698.57	\$141.73	5.4%	9.2%	-3.5%				
201302	24,792	39,397	4,185,806	27,985	1.00	4,190,825	28,019	103.04	8,671.06	\$142.60							
201303	24,950	39,658	4,266,243	28,616	1.00	4,272,862	28,660	102.81	8,610.82	\$143.28							
201304	25,094	39,885	4,427,234	31,563	1.00	4,435,952	31,625	103.80	8,699.07	\$143.19							
201305	25,173	39,831	4,438,081	30,662	1.00	4,449,400	30,740	104.33	8,717.09	\$143.62							
201306	25,507	40,354	3,909,764	27,883	1.00	3,921,268	27,965	104.15	8,694.09	\$143.76							
201307	25,551	40,481	4,267,007	30,019	1.00	4,283,097	30,132	104.54	8,743.97	\$143.46							
201308	25,836	40,969	4,208,852	29,923	0.99	4,233,254	30,096	104.12	8,714.70	\$143.38							
201309	25,931	41,107	4,089,600	29,276	0.99	4,122,866	29,515	104.46	8,768.33	\$142.96							
201310	25,875	41,086	4,555,293	33,299	0.99	4,616,848	33,750	105.17	8,860.50	\$142.44							
201311	26,103	41,553	4,020,450	28,522	0.98	4,101,496	29,097	105.30	8,866.01	\$142.52							
201312	26,846	42,793	3,809,789	26,803	0.97	3,933,067	27,670	105.12	8,842.56	\$142.65							
201401	27,338	44,096	4,501,072	30,796	0.93	4,820,608	32,982	104.60	8,800.72	\$142.63	1.8%	1.2%	0.6%				
201402	26,670	43,171	3,625,370	25,744	0.80	4,531,947	32,182	104.49	8,834.54	\$141.93	1.4%	1.9%	-0.5%				
201403	25,831	41,851	2,120,154	15,828	0.35	6,012,520	44,788	107.53	9,184.84	\$140.49	4.6%	6.7%	-1.9%				
Experience Period	306,279	486,285	50,729,905	355,587	0.99	51,117,073	358,334										
41334	24,950	39,658													5.4%	9.2%	-3.5%
41518	25,931	41,107													2.8%	3.2%	-0.4%
41609	26,846	42,793													3.2%	2.4%	0.8%
Avg last 6 months	26,024	41,332													3.0%	3.2%	-0.2%
Selected Pricing Trend													4.5%	0.0%			

CareFirst BlueCross BlueShield (BlueChoice)
D.C. Individual Exchange Products - Rates Effective 1/1/2015
BlueChoice D.C. Small Group & Individual Base Experience Medical Other
Experience Period: Incurred 201301 - 201312, Paid through 201403

Month	Contracts	Members	Allowed	Services	Completion Factor	Completed		Rolling 12 PMPM			Rolling 12 Trend		
						Allowed	Services	Allowed	Services/1000	Unit Cost	Allowed	Services/1000	Unit Cost
201104	20,179	32,103	383,798	1,617	1.00	383,798	1,617						
201105	20,433	32,618	370,204	1,673	1.00	370,204	1,673						
201106	20,558	32,743	353,452	1,593	1.00	353,452	1,593						
201107	20,647	32,974	369,382	1,597	1.00	369,382	1,597						
201108	20,844	33,208	352,779	1,455	1.00	352,779	1,455						
201109	21,046	33,538	380,151	1,607	1.00	380,151	1,607						
201110	21,026	33,329	425,463	1,457	1.00	425,463	1,457						
201111	21,175	33,483	383,726	1,577	1.00	383,726	1,577						
201112	21,594	34,138	392,715	1,623	1.00	392,715	1,623						
201201	21,693	34,301	389,297	1,708	1.00	389,297	1,708						
201202	21,999	34,878	376,517	1,729	1.00	376,517	1,729						
201203	22,133	35,090	480,403	1,755	1.00	480,425	1,755	11.58	578.26	\$240.21			
201204	22,251	35,294	438,680	1,715	1.00	438,727	1,715	11.62	576.61	\$241.82			
201205	22,108	35,120	429,564	1,738	1.00	429,660	1,738	11.69	575.00	\$244.05			
201206	22,593	35,883	394,762	1,666	1.00	394,886	1,667	11.71	572.76	\$245.25			
201207	22,715	36,080	428,442	1,633	1.00	428,579	1,634	11.76	569.52	\$247.80			
201208	23,030	36,529	409,873	1,669	1.00	410,025	1,670	11.80	571.16	\$248.00			
201209	23,253	36,879	446,231	1,807	1.00	446,405	1,808	11.87	572.35	\$248.82			
201210	23,369	37,068	500,807	2,049	1.00	501,037	2,050	11.94	584.06	\$245.34			
201211	23,881	37,872	510,602	1,939	1.00	510,906	1,940	12.12	588.24	\$247.15			
201212	24,214	38,435	423,258	1,694	1.00	423,580	1,695	12.07	584.41	\$247.77			
201301	24,621	39,171	580,295	2,275	1.00	580,856	2,277	12.37	593.50	\$250.10			
201302	24,792	39,397	593,058	2,014	1.00	593,785	2,016	12.73	595.23	\$256.72			
201303	24,950	39,658	510,223	1,977	1.00	511,020	1,980	12.67	595.18	\$255.50	9.5%	2.9%	6.4%
201304	25,094	39,885	439,716	2,152	1.00	440,606	2,156	12.55	600.84	\$250.61	8.0%	4.2%	3.6%
201305	25,173	39,831	497,107	2,134	1.00	498,416	2,139	12.57	605.17	\$249.23	7.5%	5.2%	2.1%
201306	25,507	40,354	483,564	2,118	1.00	484,981	2,124	12.64	611.21	\$248.21	8.0%	6.7%	1.2%
201307	25,551	40,481	556,686	2,146	1.00	558,945	2,154	12.80	618.83	\$248.27	8.9%	8.7%	0.2%
201308	25,836	40,969	514,684	2,321	0.99	517,696	2,334	12.91	629.95	\$245.95	9.4%	10.3%	-0.8%
201309	25,931	41,107	519,572	2,065	0.99	523,857	2,081	12.96	631.25	\$246.35	9.2%	10.3%	-1.0%
201310	25,875	41,086	575,930	2,280	0.99	583,790	2,311	13.02	632.49	\$247.09	9.1%	8.3%	0.7%
201311	26,103	41,553	452,734	1,898	0.98	461,863	1,936	12.82	627.55	\$245.19	5.8%	6.7%	-0.8%
201312	26,846	42,793	478,163	1,782	0.97	493,713	1,839	12.85	625.49	\$246.56	6.5%	7.0%	-0.5%
201401	27,338	44,096	441,306	1,748	0.93	472,693	1,873	12.50	609.33	\$246.22	1.1%	2.7%	-1.6%
201402	26,670	43,171	374,320	1,603	0.80	467,591	2,004	12.15	604.40	\$241.28	-4.6%	1.5%	-6.0%
201403	25,831	41,851	237,944	921	0.35	682,567	2,559	12.44	615.71	\$242.53	-1.8%	3.4%	-5.1%
Experience Period	306,279	486,285	6,201,731	25,162	0.99	6,249,527	25,347						
41334	24,950	39,658									9.5%	2.9%	6.4%
41518	25,931	41,107									9.2%	10.3%	-1.0%
41609	26,846	42,793									6.5%	7.0%	-0.5%
Avg last 6 months	26,024	41,332									8.1%	8.5%	-0.4%
Selected Pricing Trend												6.0%	0.0%

CareFirst BlueCross BlueShield (BlueChoice)
D.C. Individual Exchange Products - Rates Effective 1/1/2015
BlueChoice D.C. Small Group & Individual Base Experience Rx
Experience Period: Incurred 201301 - 201312, Paid through 201403

						Completed		Rolling 12 PMPM			Rolling 12 Trend					
Month	Contracts	Members	Allowed	Scripts	Completion Factor	Allowed	Scripts	Allowed	Scripts/1000	Unit Cost	Allowed	Scripts/1000	Unit Cost			
201104	20,179	32,103	2,145,050	21,363	1.00	2,145,050	21,363									
201105	20,433	32,618	2,371,440	22,271	1.00	2,371,440	22,271									
201106	20,558	32,743	2,249,377	22,317	1.00	2,249,377	22,317									
201107	20,647	32,974	2,347,543	21,273	1.00	2,347,543	21,273									
201108	20,844	33,208	2,583,537	22,382	1.00	2,583,537	22,382									
201109	21,046	33,538	2,430,947	21,914	1.00	2,430,947	21,914									
201110	21,026	33,329	2,490,040	22,649	1.00	2,490,040	22,649									
201111	21,175	33,483	2,622,628	22,811	1.00	2,622,628	22,811									
201112	21,594	34,138	2,558,815	23,792	1.00	2,558,815	23,792									
201201	21,693	34,301	2,659,358	24,534	1.00	2,659,358	24,534									
201202	21,999	34,878	2,627,312	23,775	1.00	2,627,312	23,775									
201203	22,133	35,090	2,796,623	25,571	1.00	2,796,623	25,571							74.26	8,190.36	\$108.80
201204	22,251	35,294	2,696,245	24,500	1.00	2,696,245	24,500							75.04	8,218.73	\$109.56
201205	22,108	35,120	2,791,942	25,258	1.00	2,791,942	25,258							75.61	8,256.18	\$109.89
201206	22,593	35,883	2,627,755	23,823	1.00	2,627,755	23,823							75.95	8,237.08	\$110.64
201207	22,715	36,080	2,713,354	24,581	1.00	2,713,354	24,581							76.26	8,271.14	\$110.64
201208	23,030	36,529	2,768,769	25,295	1.00	2,768,769	25,295							76.10	8,289.07	\$110.17
201209	23,253	36,879	2,579,931	23,787	1.00	2,579,931	23,787							75.85	8,276.67	\$109.97
201210	23,369	37,068	2,804,508	25,700	1.00	2,804,508	25,700							75.92	8,290.01	\$109.90
201211	23,881	37,872	2,915,072	25,985	1.00	2,915,072	25,985							75.83	8,293.98	\$109.71
201212	24,214	38,435	2,811,300	26,545	1.00	2,811,300	26,545							75.66	8,287.97	\$109.54
201301	24,621	39,171	3,252,285	29,079	1.00	3,252,285	29,079	76.17	8,320.32	\$109.86	2.4%	0.9%	1.5%			
201302	24,792	39,397	2,909,926	26,209	1.00	2,909,926	26,209	76.03	8,301.37	\$109.91						
201303	24,950	39,658	3,149,669	27,338	1.00	3,149,669	27,338	76.04	8,264.00	\$110.42						
201304	25,094	39,885	3,104,064	28,324	1.00	3,104,064	28,324	76.17	8,281.59	\$110.37						
201305	25,173	39,831	3,418,273	28,435	1.00	3,418,273	28,435	76.76	8,279.64	\$111.25						
201306	25,507	40,354	3,109,552	26,764	1.00	3,109,552	26,764	77.06	8,275.90	\$111.74						
201307	25,551	40,481	3,330,935	28,002	1.00	3,330,935	28,002	77.66	8,285.84	\$112.47						
201308	25,836	40,969	3,456,548	27,527	1.00	3,456,548	27,527	78.39	8,264.55	\$113.82						
201309	25,931	41,107	3,245,252	26,683	1.00	3,245,252	26,683	79.09	8,264.15	\$114.85						
201310	25,875	41,086	3,617,879	28,551	1.00	3,617,879	28,551	80.13	8,266.26	\$116.32						
201311	26,103	41,553	3,439,482	27,245	1.00	3,439,482	27,245	80.60	8,234.49	\$117.46						
201312	26,846	42,793	3,704,278	28,821	1.00	3,704,278	28,821	81.72	8,216.86	\$119.34						
201401	27,338	44,096	3,200,129	28,559	1.00	3,200,129	28,559	80.79	8,121.77	\$119.37	6.1%	-2.4%	8.7%			
201402	26,670	43,171	2,962,777	26,058	1.00	2,962,777	26,058	80.28	8,056.19	\$119.58	5.6%	-3.0%	8.8%			
201403	25,831	41,851	3,479,718	28,851	1.00	3,479,718	28,851	80.59	8,057.17	\$120.03	6.0%	-2.5%	8.7%			
Experience Period	306,279	486,285	39,738,141	332,978	1.00	39,738,141	332,978									
41334	24,950	39,658										2.4%	0.9%	1.5%		
41518	25,931	41,107										4.3%	-0.2%	4.4%		
41609	26,846	42,793										8.0%	-0.9%	8.9%		
Avg last 6 months	26,024	41,332										4.8%	-0.4%	5.2%		
Selected Pricing Trend												1.0%	7.0%			

CareFirst BlueCross BlueShield (BlueChoice)
D.C. Individual Exchange Products - Rates Effective 1/1/2015
BlueChoice D.C. Small Group & Individual Base Experience Medical and Rx Total
Experience Period: Incurred 201301 - 201312, Paid through 201403

Month	Contracts	Members	Allowed	Completion Factor	Completed	Rolling 12 PMPM	Rolling 12 Trend
					Allowed	Allowed	Allowed
201104	20,179	32,103	8,393,779	1.00	8,393,779		
201105	20,433	32,618	9,911,507	1.00	9,911,507		
201106	20,558	32,743	8,792,930	1.00	8,792,930		
201107	20,647	32,974	8,362,561	1.00	8,362,561		
201108	20,844	33,208	9,730,367	1.00	9,730,367		
201109	21,046	33,538	9,606,650	1.00	9,606,650		
201110	21,026	33,329	9,246,249	1.00	9,246,249		
201111	21,175	33,483	10,023,690	1.00	10,023,690		
201112	21,594	34,138	9,422,224	1.00	9,422,224		
201201	21,693	34,301	10,284,422	1.00	10,284,422		
201202	21,999	34,878	10,981,316	1.00	10,981,316		
201203	22,133	35,090	11,297,535	1.00	11,297,944	288.40	
201204	22,251	35,294	9,810,640	1.00	9,811,419	289.63	
201205	22,108	35,120	10,476,077	1.00	10,477,865	289.24	
201206	22,593	35,883	10,169,061	1.00	10,171,340	290.38	3.1%
201207	22,715	36,080	10,841,164	1.00	10,843,717	294.19	6.8%
201208	23,030	36,529	11,037,611	1.00	11,040,651	294.99	8.7%
201209	23,253	36,879	10,326,641	1.00	10,329,649	294.37	5.9%
201210	23,369	37,068	11,462,710	1.00	11,466,909	297.01	4.1%
201211	23,881	37,872	10,190,672	1.00	10,195,217	294.37	-0.6%
201212	24,214	38,435	10,357,405	1.00	10,363,164	293.62	-0.6%
201301	24,621	39,171	12,720,939	1.00	12,730,015	295.94	-1.2%
201302	24,792	39,397	11,739,958	1.00	11,750,649	294.66	0.3%
201303	24,950	39,658	13,955,026	1.00	13,971,502	297.62	3.2%
201304	25,094	39,885	12,910,982	1.00	12,930,188	301.50	4.1%
201305	25,173	39,831	13,087,296	1.00	13,112,068	304.16	5.2%
201306	25,507	40,354	11,316,059	1.00	11,340,059	303.74	4.6%
201307	25,551	40,481	13,826,206	1.00	13,865,282	307.36	4.5%
201308	25,836	40,969	12,707,649	1.00	12,761,199	308.12	4.4%
201309	25,931	41,107	12,352,388	0.99	12,425,946	309.79	5.2%
201310	25,875	41,086	13,188,057	0.99	13,317,643	311.06	4.7%
201311	26,103	41,553	12,201,777	0.99	12,379,014	313.21	6.4%
201312	26,846	42,793	12,265,685	0.98	12,542,580	314.89	7.2%
201401	27,338	44,096	13,180,367	0.95	13,889,358	314.09	6.1%
201402	26,670	43,171	10,376,877	0.85	12,229,659	312.67	6.1%
201403	25,831	41,851	7,292,726	0.51	14,215,201	311.78	4.8%
Experience Period	306,279	486,285	152,272,023	0.99	153,126,148		
41334	24,950	39,658					3.2%
41518	25,931	41,107					5.2%
41609	26,846	42,793					7.2%
Avg last 6 months	26,024	41,332					5.4%

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

DC Combined - Small Group & Individual Capitations

<u>Description</u>	<u>1/1/13 PMPM</u>	<u>1/1/14 PMPM</u>	<u>Δ</u>
Mental Health UR	\$0.91	\$0.94	3.3%
Nurse Hotline	\$0.04	\$0.04	0.0%
Wellness*	\$0.21	\$0.21	0.0%
Vision	\$0.45	\$0.46	2.1%
TOTAL:	\$1.61	\$1.65	2.4%

*The total Capitation for Wellness is \$0.26, but only applies to members age 18+.

**BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)**

**D.C. Individual Exchange Products
Rates Effective 1/1/2015**

Actuarial Value Calculations

BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)
D.C. Individual Exchange Products
Actuarial Value Calculations
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Rates Effective 1/1/2015

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BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice HSA Bronze \$4000

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Bronze

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$4,000.00
Coinsurance (%; Insurer's Cost Share)		70.00%
OOP Maximum (\$)		\$6,350.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N		\$30.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N		\$30.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y	80%					
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	50%					
Specialty Drugs (i.e. high-cost)	Y	Y	50%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 60.1%
 Metal Tier: Bronze

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice HSA Bronze \$6000

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Bronze

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$6,000.00
Coinsurance (%; Insurer's Cost Share)		99.99%
OOP Maximum (\$)		\$6,000.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	Y						
Specialist Visit	Y	Y						
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	Y						
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	Y						
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	Y						
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y						
Preferred Brand Drugs	Y	Y						
Non-Preferred Brand Drugs	Y	Y						
Specialty Drugs (i.e. high-cost)	Y	Y						

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 59.2%
 Metal Tier: Bronze

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Plus Bronze \$5500

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Bronze

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$5,500.00
Coinsurance (%; Insurer's Cost Share)		80.00%
OOP Maximum (\$)		\$6,350.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$35.00				
Specialist Visit	Y	N		\$45.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$35.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$45.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$45.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 61.5%
 Metal Tier: Bronze

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice HSA Silver \$1300

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)			\$1,300.00
Coinsurance (%; Insurer's Cost Share)			80.00%
OOP Maximum (\$)			\$6,350.00
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
	Medical	Drug

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N		\$30.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N		\$30.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y	80%					
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	50%					
Specialty Drugs (i.e. high-cost)	Y	Y	50%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 69.6%
 Metal Tier: Silver

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice HSA Silver 133%-150% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Platinum

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00	
Coinsurance (%; Insurer's Cost Share)	90.00%	90.00%	
OOP Maximum (\$)	\$2,250.00		
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N						
Specialist Visit	Y	N		\$10.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N						
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$10.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$10.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y	100%					
Preferred Brand Drugs	Y	Y	90%					
Non-Preferred Brand Drugs	Y	Y	80%					
Specialty Drugs (i.e. high-cost)	Y	Y	80%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 94% (100-150% FPL), Calculation Successful.
 Actuarial Value: 93.2%
 Metal Tier: Platinum

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice HSA Silver 150%-200% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Gold

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00
Coinsurance (%; Insurer's Cost Share)	80.00%	80.00%
OOP Maximum (\$)	\$2,250.00	
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N		\$5.00				
Specialist Visit	Y	N		\$25.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N		\$5.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$25.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$25.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y	85%					
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	50%					
Specialty Drugs (i.e. high-cost)	Y	Y	50%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 87% (150-200% FPL), Calculation Successful.
 Actuarial Value: 87.9%
 Metal Tier: Gold

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice HSA Silver 200%-250% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization: 2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$900.00
Coinsurance (%; Insurer's Cost Share)		80.00%
OOP Maximum (\$)		\$5,200.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N		\$30.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N		\$30.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y	80%					
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	50%					
Specialty Drugs (i.e. high-cost)	Y	Y	50%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 73% (200-250% FPL), Calculation Successful.
 Actuarial Value: 73.5%
 Metal Tier: Silver

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Plus Silver \$2500

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)	\$2,500.00	\$400.00	
Coinsurance (%; Insurer's Cost Share)	80.00%	80.00%	
OOP Maximum (\$)	\$6,350.00		
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$20.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$20.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 70.2%
 Metal Tier: Silver

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Plus Silver 133%-150% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Platinum

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00
Coinsurance (%; Insurer's Cost Share)	90.00%	90.00%
OOP Maximum (\$)	\$2,250.00	
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N	100%					
Specialist Visit	Y	N		\$5.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N	100%					
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$5.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$5.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N						
Preferred Brand Drugs	Y	Y	90%					
Non-Preferred Brand Drugs	Y	Y	80%					
Specialty Drugs (i.e. high-cost)	Y	Y	80%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 94% (100-150% FPL), Calculation Successful.
 Actuarial Value: 93.7%
 Metal Tier: Platinum

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Plus Silver 150%-200% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Gold

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00	
Coinsurance (%; Insurer's Cost Share)	80.00%	70.00%	
OOP Maximum (\$)	\$2,250.00		
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$10.00				
Specialist Visit	Y	N		\$25.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$10.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$25.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$25.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$5.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 87% (150-200% FPL), Calculation Successful.
 Actuarial Value: 87.86%
 Metal Tier: Gold

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Plus Silver 200%-250% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)	\$1,600.00	\$400.00	
Coinsurance (%; Insurer's Cost Share)	80.00%	80.00%	
OOP Maximum (\$)	\$5,200.00		
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$20.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$20.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 73% (200-250% FPL), Calculation Successful.
 Actuarial Value: 73.9%
 Metal Tier: Silver

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Silver \$2000

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$2,000.00
Coinsurance (%; Insurer's Cost Share)		80.00%
OOP Maximum (\$)		\$6,350.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$30.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$30.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 69.0%
 Metal Tier: Silver

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Silver 133%-150% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Platinum

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00
Coinsurance (%; Insurer's Cost Share)	90.00%	90.00%
OOP Maximum (\$)	\$2,250.00	
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N						
Specialist Visit	Y	N		\$10.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N						
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$10.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$10.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	N						
Preferred Brand Drugs	Y	Y	90%					
Non-Preferred Brand Drugs	Y	Y	80%					
Specialty Drugs (i.e. high-cost)	Y	Y	80%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 94% (100-150% FPL), Calculation Successful.
 Actuarial Value: 93.2%
 Metal Tier: Platinum

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Silver 150%-200% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Gold

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00
Coinsurance (%; Insurer's Cost Share)	80.00%	80.00%
OOP Maximum (\$)	\$2,250.00	
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N		\$10.00				
Specialist Visit	Y	N		\$20.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N		\$10.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$20.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$20.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 87% (150-200% FPL), Calculation Successful.
 Actuarial Value: 87.7%
 Metal Tier: Gold

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Silver 200%-250% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$1,400.00
Coinsurance (%; Insurer's Cost Share)		80.00%
OOP Maximum (\$)		\$5,200.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$30.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$30.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 73% (200-250% FPL), Calculation Successful.
 Actuarial Value: 72.8%
 Metal Tier: Silver

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Gold \$0

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Gold

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00	
Coinsurance (%; Insurer's Cost Share)	70.00%	70.00%	
OOP Maximum (\$)	\$6,350.00		
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N		\$20.00				
Specialist Visit	Y	N		\$30.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N		\$20.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$30.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$30.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y	80%					
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	50%					
Specialty Drugs (i.e. high-cost)	Y	Y	50%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 79.3%
 Metal Tier: Gold

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Gold \$1000

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Gold

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)			\$1,000.00
Coinsurance (%; Insurer's Cost Share)			90.00%
OOP Maximum (\$)			\$3,750.00
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$20.00				
Specialist Visit	Y	N		\$30.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$20.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$30.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$30.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 78.3%
 Metal Tier: Gold

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
HealthyBlue Gold \$1500

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? Y
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Gold

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)	\$1,500.00	\$400.00	
Coinsurance (% , Insurer's Cost Share)	100.00%	100.00%	
OOP Maximum (\$)	\$3,450.00		
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	N	N		\$200.00				
All Inpatient Hospital Services (inc. MHSA)	Y	N		\$450.00				
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N						
Specialist Visit	N	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N						
Imaging (CT/PET Scans, MRIs)	N	N						
Rehabilitative Speech Therapy	N	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	N	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	N	N						
X-rays and Diagnostic Imaging	N	N						
Skilled Nursing Facility	Y	N		\$40.00				
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y	90%					
Outpatient Surgery Physician/Surgical Services	Y	Y	83%					
Drugs								
Generics	N	N						
Preferred Brand Drugs	Y	N		\$45.00				
Non-Preferred Brand Drugs	Y	N		\$200.00				
Specialty Drugs (i.e. high-cost)	Y	N		\$200.00				

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 82.0%
 Metal Tier: Gold

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
HealthyBlue Platinum \$0

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? Y
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Platinum

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00
Coinsurance (%; Insurer's Cost Share)	100.00%	100.00%
OOP Maximum (\$)	\$2,000.00	
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	N		\$200.00				
All Inpatient Hospital Services (inc. MHSA)	Y	N		\$150.00				
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N						
Specialist Visit	Y	N		\$30.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N						
Imaging (CT/PET Scans, MRIs)	Y	N						
Rehabilitative Speech Therapy	Y	N		\$30.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$30.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	N						
X-rays and Diagnostic Imaging	Y	N						
Skilled Nursing Facility	Y	N		\$30.00				
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y	91%					
Outpatient Surgery Physician/Surgical Services	Y	Y	85%					
Drugs								
Generics	Y	N						
Preferred Brand Drugs	Y	N		\$45.00				
Non-Preferred Brand Drugs	Y	N		\$100.00				
Specialty Drugs (i.e. high-cost)	Y	N		\$200.00				

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 89.8%
 Metal Tier: Platinum

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

CAREFIRST BLUECROSS BLUESHIELD (CF)
PART III ACTUARIAL MEMORANDUM

1. GENERAL INFORMATION:

- A. **Company Legal Name:** BlueChoice, Inc. (NAIC # 96202).
- B. **Jurisdiction:** District of Columbia.
- C. **HIOS Issuer ID:** 86052.
- D. **Market:** Individual, Non-Medigap (On Exchange).
- E. **Effective Date:** 1/1/15 – 12/31/15.
- F. **Primary Contact Name:** Mr. Todd Switzer, A.S.A., M.A.A.A.
- G. **Primary Contact Telephone Number:** 410-998-7107.
- H. **Primary Contact E-Mail Address:** Todd.Switzer@CareFirst.com.

2. **PROPOSED RATE INCREASE(S):** In compliance with the “Patient Protection and Affordable Care Act” (ACA, H.R. 3590) and toward the same 2014 objectives of maximizing access and affordability, long-term financial viability and customer rate stability, CareFirst (CF) is proposing to raise premiums by 13.4%, prior to age band changes. (For CF the proposed renewal is 13.0%.) The range is 2.8% to 24.1%. (For renewing customers, an age band change adds 2.6% to the renewal, on average, with a range of 0.0% to 3.9% for ages 22 and upwards per the DC age curve.)

3. **EXPERIENCE PERIOD PREMIUM AND CLAIMS:** The incurred period is 1/1/13 through 12/31/13, as required.

- A. **Paid Through Date:** 3/31/14.
- B. **Premiums (Net of Medical Loss Ratio (MLR) Rebate) in Experience Period:** \$137,679,176 (Merged Index Rate).
- C. **Allowed and Incurred Claims From Experience Period:** \$136,985,100 (Merged Index Rate).

4. BENEFIT CATEGORIES:

- A. Inpatient (hospital).
- B. Outpatient (hospital).
- C. Professional.
- D. Other Medical (non-capitated ambulance, home health care, durable medical equipment, prosthetics, supplies, vision exams, dental services and other).
- E. Prescription drug (Rx).
- F. Capitations.

5. PROJECTION FACTORS:

- A. **Changes in the Morbidity of the Population Insured:** For 2015, CareFirst estimates a morbidity factor that is almost identical to 2014’s projected morbidity. The morbidity risk factor projections are based upon the model that supported CareFirst’s 2014 rate filings. The model compares known and estimated allowed claims costs per member per month (PMPM) for 2013 to project the costs of various categories of the estimated 2015 membership.

These categories are based upon the prior status of the 2015 membership – previous CareFirst members (medically underwritten “Individual Non-Medigap” (INM), Open Enrollment, HIPAA, Group Conversion, Groups (small and large including Congress)) and New Entrants sorted by income (i.e., > 200% of the Federal Poverty Level (FPL)). As of 5/12/14, CF has enrolled approximately 10,000 members from Congress through the Small Business Health Options Program (SHOP). The prospect of offering SHOP plans to Congress was not known at the time of the 2014 rate filings. This influx of Congressional members with an average age of 32.3 years versus 33.7 for Small Group (SG) and 36.1 for INM contributed to the decline in the morbidity factor. Congress is projected to represent

~12% of total enrollment with an ~10% improvement in the loss ratio leading to ~1% reduction to premiums. On 12/31/15 we are projecting about 23,000 CF INM members and 71,000 for CF SG for a total of approximately 94,000.

- B. **Changes in Benefits:** For CareFirst's Individual offerings, our portfolio is not changing. We will still offer 15 benefit plans – 1 Young Adult/Catastrophic, 4 Bronze, 4 Silver, 4 Gold and 2 Platinum. We have recalculated the costs of "Essential Health Benefits" (EHB) as well as Non-EHBs.

Related to autism benefits, per the "Better Prices, Better Quality, Better Choices for Health Coverage Amendment Act of 2013" passed on 6/4/13 (D.C. Official Code § 31-3171.01, et seq.) we have calculated an increase in claims PMPM of \$1.74 for INM and \$5.15 for SG PMPM for 2015. This is largely for "Applied Behavioral Analysis" (ABA) treatments and is a D.C.-mandated benefit.

Attached exhibits detail adjustments for pediatric dental, mandatory generics, a new hepatitis C prescription drug, Sovaldi, and maternity.

- C. **Changes in Demographics:** Comparing the overall CareFirst member-level average age as of 12/31/12 to 3/31/14, we have seen an increase of 0.4 years from 33.8 to 34.2. For BlueChoice the increase is +0.6 from 33.7 to 34.3. For Group Hospitalization and Medical Services, Inc. (GHMSI) the increase is +0.2 years from 33.9 to 34.1.

For INM CF, the average age increased by 2.1 years from 34.0 to 36.1. For BlueChoice the increase is +1.8 from 34.2 to 36.0. For GHMSI the increase is +2.4 years from 33.9 to 36.3.

Age factors will account for a portion of the corresponding increase in claims cost. We find the CMS age curve spread of "3 to 1" to be lower than the "4.5 to 1" that is more correlated with expected claims costs. We have therefore adjusted expected claims costs accordingly in the "experience period" (EP) index rate projection in the "other" category.

- D. **Other Adjustments:** CareFirst is proposing to introduce an incentive program (IP) whereby members can earn medical expense debit cards of as much as \$150 annually, for an individual (\$400 for a family). The cards must be utilized for qualified medical expenses such as deductibles, copays, and out-of-pocket costs. The scope includes all benefit plans within CF's portfolio. This is being done in a revenue-neutral way. That is, the costs to CF of the incentive payments were chosen such that they match the expected savings to CF from more efficacious health care delivery. "HealthyBlue" (HB) was first launched effective 10/1/10 with the objective of motivating and rewarding greater engagement by the member in his or her health, improved wellness and prevention and better provider coordination and quality. As we sought to respond to feedback about HB, subsequent versions were released on 1/1/12 and 10/1/12. This IP represents an evolution of the HB concept. Further, it joins the tenets of HB with our "Patient Centered Medical Home" (PCMH) program which was launched in January, 2011.

The savings has been incorporated in the "Other" category when projecting the EP index rate. The cost of the incentive has been included in "general and administrative expenses." Our aim is that this IP will improve our members' health.

Included in this calculation are decreases to claims costs for 1) a change in our "Pharmacy Benefits Manager" (PBM) in 2014 and 2) a reduction in our fee schedule for out-of-network (OON) utilization for HMO-based products that have an OON option (a.k.a., "NP3").

- E. **Trend Factors (Cost/Utilization):** The proposed trend of 7.0% is a reduction of 200 basis points from 2014's 9.0%.

6. CREDIBILITY MANUAL RATE DEVELOPMENT:

- A. **Source and Appropriateness of Experience Data Used:** The calendar 2013 base data includes 438,476 member months (average monthly of 36,540) and is therefore considered 100% credible.

B. **Adjustments Made to the Data:** Non-EHBs (adult vision and abortion) were removed to develop the index rate.

C. **Inclusion of Capitation Payments:** A new exhibit lists all capitations.

7. **PAID TO ALLOWED RATIO:** Projected at 66.5%, on average.

8. **RISK ADJUSTMENT AND REINSURANCE:**

A. **Projected Risk Adjustments PMPM:** \$0 due to uncertainty.

B. **Projected ACA Reinsurance Recoveries Net of Reinsurance Premium (Individual Market and Combined Markets Only):** Total reinsurance recoveries are based upon a calendar year (CY) 2015 attachment point of \$70,000, cap of \$250,000, and 50% coinsurance. Total net reinsurance recoveries of \$12.30 PMPM are derived by subtracting the CY2015 reinsurance assessment fee of \$3.67 and reinsurance administrative fee of \$0.11 PMPM from gross recoveries of \$16.08 PMPM.

9. **NON-BENEFIT EXPENSES AND CONTRIBUTION TO RESERVE (CtR):** The 2015 “desired incurred claims ratio” (DICR) has decreased from 76.4% (2014) to 74.0%, due primarily to the medical expense debit card issue described in “Other Adjustments,” above.

A. **Administrative Expense Load:** G&A PMPMs decreased by 12% versus 2014

B. **CtR & Risk Margin:** Remains at 0.0%, break-even.

C. **Taxes and Fees:**

- Community Health Investment of 2.0%.
- Federal Income Tax (FIT) of 0.0%.
- Health Insurer Fee increased 90 basis points to 3.2% considering non-deductibility for tax purposes.
- Patient-Centered Outcomes Research Institute (PCORI) of \$2.11 PMPY (\$0.18 PMPM).
- Reinsurance Payments decreased from \$5.25 PMPM to \$3.67 PMPM.
- Risk Adjustment User Fees remained at \$0.08 PMPM.
- Reinsurance Administrative Fee is \$0.11 PMPM.
- Exchange Assessment Fee of 1.0% for 2015 and 1.0% for 2014 per the “Health Benefit Exchange Authority Financial Sustainability Emergency Amendment Act of 2014” (D.C. Act 20-329) approved on 5/22/14. In addition, there is an additional state assessment fee of 0.04%.

10. **PROJECTED LOSS RATIO:** Our projected DICR for MLR purposes is 80.4%, meeting the 80.0% minimum of “Public Health Service Act” (PHSA) 218. For testing we used the combined experience of INM and SG.

11. **SINGLE RISK POOL (SRP):** Our SRP reflects all covered lives for every non-grandfathered product in our market per 45 CFR Part § 156.80 (d). There are no transitional policies for CareFirst in D.C. This encompasses INM Open Enrollment, HIPAA, Group Conversion and formerly medically underwritten coverages as well as SGs.

12. **INDEX RATE:** The EP index rate is a key component driving the renewal. Last year’s implicit 2013 index rate was \$329 (\$302 + trend of 9.0%). The actual for 2013 is \$312 for a favorable variance of -5%.

For BlueChoice the experience period index rates for INM, SG and INM+SG are \$370, \$306 and \$312, respectively. By using the merged index rate, INM goes down by -16% (i.e., \$312 versus \$370) and SG goes up by +2% (i.e., \$312 versus \$306).

For CF the experience period index rates for INM, SG and INM+SG are \$290, \$372 and \$364, respectively. By using the merged index rate, INM goes up by +26% (i.e., \$364 versus \$290) and SG goes down by -2% (i.e., \$364 versus \$372).

The ratio of our composite PPO to HMO rate was 1.41 in 2014. 2015 filings change this ratio to 1.39.

For the Young Adult/Catastrophic plan, the “deductible/out-of-pocket maximum” has been raised from \$6,350 to \$6,600 per year. Our 2014 Catastrophic rates overly adjusted downwards for the fact that, with some hardship exceptions, rates are only available to ages 29 or younger. Our adjustment factor for 2015 rates is only for the aforementioned inaccuracy of the compressed age curve with its 3:1 ratio. We calculated a needed renewal for catastrophic of 68% but have chosen to grade in the correction. Hence the proposed renewal is 24.1%.

Retail Clinics will have reduced copays to match the primary care physician (PCP) rather than specialist copay with negligible price impact.

A 5-tiered drug structure (Generics-Preferred, Generics-Non-Preferred, Brand Name-Preferred, Brand Name-Non-Preferred, Specialty) is currently used for approximately 20% of our benefits. This is changing to a 4-tier structure by collapsing the Generics tiers.

13. **MARKET ADJUSTED INDEX RATE:** A summary exhibit is provided.
14. **PLAN ADJUSTED INDEX RATES:** Network factors composite to 1.00. The “cost-share” factor includes 1) pricing AVs, 2) H.S.A./Non-H.S.A. factors and 3) benefit generosity. There are 2 types of HMO network factors – HMO Open Access and Point of Service (POS).
15. **CALIBRATION:** Done for age and geography but we have elected not to rate for tobacco usage. Capping dependents under the age of 21 at 3 is implicit in the calibration.
16. **CONSUMER ADJUSTED PREMIUM RATE DEVELOPMENT:** Rate charts are provided.
17. **HHS ACTUARIAL METAL VALUES (AV):** The Federal calculator was used exclusively, without major modifications. The two HealthyBlue plans required minor modification to the AV inputs. These plans have copays on OP facility which is not accommodated by the AV calculator, so equivalent coinsurances were computed using the AV calculator continuance tables so that an input could be entered. Printouts for each plan are provided as part of the QHP binder submission under separate cover.

Some AVs changed from last year even though we have the same product portfolio and the Federal calculator “stayed the same.” The reasons are 1) 4 RX benefit options collapsed from 5 to 4 tiers, 2) 1 undocumented change of the Federal calculator was to fix it to allow the 150-200% Cost Sharing Reduction (CSR) plans to be run with a gold metal level selected as indicated in the instructions, instead of being forced to run it as platinum contrary to the instructions of last year (3 of the 4 CSR plans stayed in range but have a new AV - one had to have a copay raised to get back into range), 3) for Platinum \$0, the AV went down because we correctly ran it as a non-integrated plan this year instead of an integrated plan last year with an impact of ~ 0.2%.
18. **AV PRICING VALUES:** Our 2014 rates had used a 50%/50% blend of CF internal AVs and HHS AVs. We have graded that more toward CF's AVs for 2015 with 75% CF/25% HHS. The same 2 foundational models were used with minor modifications.
19. **MEMBERSHIP PROJECTIONS:** We had projected 80% of enrollment in HMO-based plans as of 12/31/14 in our 2014 filings. Actual data as of 5/12/14 indicate that HMO comprises 77% of our CF members. We had also expected 5% of enrollment in Platinum plans versus actuals of 23%. We incorporated both of these facts in projecting 12/31/15 enrollment. As of 5/12/14 we have 6,205 INM members and 16,960 SG members in metal products.

20. **TERMINATED PRODUCTS:** Not applicable.

21. **PLAN TYPE:** HMO and POS.

22. **WARNING ALERTS:** Per the District's instructions, we have developed our index rate with combined Small Group/Individual experience which is filled in on Worksheet 1 of the URRT, but have developed plan level rates separately as the markets are remaining separate from the federal perspective. Therefore, Worksheet 2 has only the Individual market's plan data, and all of the warnings have been triggered because the Individual totals on Worksheet 2 are less than the combined Small Group/Individual totals on Worksheet 1.

23. **RELIANCE:** None.

**BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)**

**D.C. Individual Exchange Products
Rates Effective 1/1/2015**

Actuarial Memorandum

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

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BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)
D.C. Individual Exchange Products
Rates Effective 1/1/2015
Actuarial Certification

I, Todd Switzer, am the Senior Director of Actuarial Pricing with CareFirst BlueCross BlueShield of which CareFirst BlueChoice, Incorporated is a subsidiary. I am a member of the American Academy of Actuaries. I have been involved in the development of these rates, and to the best of my knowledge and understanding, the rates in this filing have been developed in accordance with the available regulations and guidance for the Individual, non-Medigap market (on exchange) in the District of Columbia for business effective 1/1/2015. The actuarial values (AV) of the benefits proposed have been calculated with the minimally necessary modifications to the HHS AV calculator. Further, the Index rate has been developed based on my best understanding of the available regulations, guidance and sound actuarial practices and assumptions in the aggregate for the legal entity. I certify the following:

1. I am a member in good standing with the American Academy of Actuaries.
2. The projected index rate complies with applicable statutes based on my best understanding of the available guidance and sound actuarial practice and is in accordance with applicable actuarial standards including ASOP 8. The Actuarial Memorandum has been developed following the format and content prescribed in the CCIO instructions for Part III – Actuarial Memorandum.
3. The projected index rate is reasonable in relation to the projected benefits and the projected population and is based on a plausible scenario that assumes a more favorable view of the morbidity in the Individual market in the District of Columbia as described in the Actuarial Memorandum. Given the significant changes in the Individual market from 2014-2016, it is possible that the projected index rate could miss the true costs by a considerable margin up or down. If this occurs, I expect the ACA risk mitigation techniques to dampen the impact of such pricing actions with the intent to achieve long-term target pricing by the end of 2016.
4. The plan level rates are developed based only on allowed index rate modifiers in accordance with 45 CFR 156.80(d)(1) and (2) and have been calibrated to account for prescribed rating factors.
5. The percent of total premiums related to Essential Health Benefits has been estimated based on sound actuarial practice.
6. The Actuarial Values have been calculated using the HHS calculator with minimal modification which has been discussed in the Actuarial Memorandum included in this filing.

I further certify that the information in this filing represents the company's best understanding of the available guidance and regulations with regards to the rating of these products. This filing will be revised as applicable as any new guidance is released.

This filing has been prepared in accordance with the applicable Actuarial Standards of Practice.

Todd Switzer, ASA, MAAA
Senior Director, Actuarial Pricing
CareFirst BlueCross BlueShield
Mail Drop-Point 01-720
10455 Mill Run Circle
Owings Mills, MD 21117

BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)
D.C. Individual Exchange Products
Rates Effective 1/1/2015
Form Numbers

Form Numbers Associated With This Filing:

This list contains the applicable forms for the ACA products.

		In-Network	Out of Network
On Exchange	BlueChoice - Open Access	DC/CFBC/EXC/HMO/IEA (1/14) DC/CFBC/SHOP/EXC/DOCS (1/14) DC/CFBC/EXC/NATAMER (1/14) DC/CFBC/DOL APPEAL (R. 7/11) DC/CFBC/MEM/BLCRD (1/12) DC/CFBC/PT PROTECT (9/10) DC/CFBC/EXC/2015 AMEND (1/15) DC/CFBC/DB/HMO/INCENT (1/15) DC/CFBC/EXC/HMO HSA/4000 BRZ SOB (R. 1/15) (Bronze Metal Level) DC/CFBC/EXC/HMO HSA/6000 BRZ SOB (R. 1/15) (Bronze Metal Level) DC/CFBC/EXC/HMO HSA/SIL SOB (R. 1/15) (Silver Metal Level) DC/CFBC/EXC/HMO HSA/SIL 74 SOB (R. 1/15) (Silver Metal Level 200-250% FPL) DC/CFBC/EXC/HMO HSA/SIL 88 SOB (R. 1/15) (Silver Metal Level 150-200% FPL) DC/CFBC/EXC/HMO HSA/SIL 95 SOB (R. 1/15) (Silver Metal Level 100-150% FPL) DC/CFBC/EXC/HMO/GOLD 0 SOB (R. 1/15) (Gold Metal Level) DC/CFBC/EXC/HMO/GOLD 1000 SOB (R. 1/15) (Gold Metal Level) DC/CFBC/EXC/HMO/CAT SOB (R. 1/15) (Catastrophic Plan) DC/CFBC/EXC/HMO/NATAMER SOB (R. 1/15) DC/CFBC/EXC/HMO/SIL SOB (R. 1/15) (Silver Metal Level) DC/CFBC/EXC/HMO/SIL 74 SOB (R. 1/15) (Silver Metal Level 200-250% FPL) DC/CFBC/EXC/HMO/SIL 88 SOB (R. 1/15) (Silver Metal Level 150-200% FPL) DC/CFBC/EXC/HMO/SIL 95 SOB (R. 1/15) (Silver Metal Level 100-150% FPL)	N/A
	BlueChoice Plus	DC/CFBC/EXC/BC+ IN/IEA (1/14) DC/CFBC/SHOP/EXC/DOCS (1/14) DC/CFBC/EXC/NATAMER (1/14) DC/CFBC/DOL APPEAL (R. 7/11) DC/CFBC/MEM/BLCRD (1/12) DC/CFBC/PT PROTECT (9/10) DC/CFBC/EXC/2015 AMEND (1/15) DC/CFBC/DB/POS IN/INCENT (1/15) DC/CFBC/EXC/BC+IN/BRZ SOB (R. 1/15) (Bronze Metal Level) DC/CFBC/EXC/BC+IN/NATAMER SOB (R. 1/15) DC/CFBC/EXC/BC+IN/SIL SOB (R. 1/15) (Silver Metal Level) DC/CFBC/EXC/BC+IN/SIL 74 SOB (R. 1/15) (Silver Metal Level 200-250% FPL) DC/CFBC/EXC/BC+IN/SIL 88 SOB (R. 1/15) (Silver Metal Level 150-200% FPL) DC/CFBC/EXC/BC+IN/SIL 95 SOB (R. 1/15) (Silver Metal Level 100-150% FPL)	DC/CF/EXC/BC+ OON/IEA (1/14) DC/CF/SHOP/EXC/DOCS (1/14) DC/CF/EXC/NATAMER (1/14) DC/GHMSI/DOL APPEAL (R. 11/11) DC/CF/MEM/BLCRD (1/12) DC/CF/ANCILLARY AMEND (10/12) DC/GHMSI/HEALTH GUARANTEE 2/08 DC/CF/PT PROTECT (9/10) DC/CF/EXC/2015 AMEND (1/15) DC/CF/EXC/BC+OON/BRZ SOB (R. 1/15) (Bronze Metal Level) DC/CF/EXC/BC+ OON NATAMER SOB (R. 1/15) DC/CF/EXC/BC+ OON/SIL 74 SOB (R. 1/15) (Silver Metal Level 200-250% FPL) DC/CF/EXC/BC+ OON/SIL 87 SOB (R. 1/15) (Silver Metal Level 150-200% FPL) DC/CF/EXC/BC+OON/SIL 95 SOB (R. 1/15) (Silver Metal Level 100-150% FPL) DC/CF/EXC/BC+OON SIL SOB (R. 1/15) (Silver Metal Level)
	HealthyBlue	DC/CFBC/EXC/HB IN/IEA (1/14) DC/CFBC/SHOP/EXC/DOCS (1/14) DC/CFBC/EXC/NATAMER (1/14) DC/CFBC/DOL APPEAL (R. 7/11) DC/CFBC/MEM/BLCRD (1/12) DC/CFBC/PT PROTECT (9/10) DC/CFBC/EXC/2015 AMEND (1/15) DC/CFBC/DB/POS IN/INCENT (1/15) DC/CFBC/EXC/HBIN/PLAT SOB (R. 1/15) (Platinum Metal Level) DC/CFBC/EXC/HBIN/GOLD SOB (R. 1/15) (Gold Metal Level) DC/CFBC/EXC/HBIN/NATAMER SOB (R. 1/15)	DC/CF/EXC/HB OON/IEA (1/14) DC/CF/SHOP/EXC/DOCS (1/14) DC/CF/EXC/NATAMER (1/14) DC/GHMSI/DOL APPEAL (R. 11/11) DC/CF/MEM/BLCRD (1/12) DC/CF/ANCILLARY AMEND (10/12) DC/GHMSI/HEALTH GUARANTEE 2/08 DC/CF/PT PROTECT (9/10) DC/CF/EXC/2015 AMEND (1/15) DC/CF/EXC/HB OON/PLAT SOB (R. 1/15) (Platinum Metal Level) DC/CF/EXC/HB OON/GOLD SOB (R. 1/15) (Gold Metal Level) DC/CF/EXC/HB OON/NATAMER SOB (R. 1/15)

BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)
D.C. Individual Exchange Products
Rates Effective 1/1/2015
HIOS Product IDs

ACA Products in Projection Period

HIOS Product ID	HIOS Product Name	HIOS Plan ID	Suffix	HIOS Plan Name	On/Off Exchange	Product Type	Abortion Coverage	Actuarial Value	Metal Level	Unique Plan	Projected Members 12/31/2015
86052DC040	BlueChoice	86052DC0400004	01	BlueChoice Young Adult \$6600	On	Catastrophic	Yes	NA	Catastrophic	No	1,158
86052DC041	BlueChoice HSA	86052DC0410001	01	BlueChoice HSA Bronze \$4000	On	HMO	Yes	60.1%	Bronze	No	2,497
86052DC041	BlueChoice HSA	86052DC0410002	01	BlueChoice HSA Bronze \$6000	On	HMO	Yes	59.2%	Bronze	No	2,124
86052DC041	BlueChoice HSA	86052DC0410003	01	BlueChoice HSA Silver \$1300 Base	On	HMO	Yes	69.6%	Silver	No	2,164
86052DC041	BlueChoice HSA	86052DC0410003	06	BlueChoice HSA Silver \$1300 94%	On	HMO	Yes	93.2%	Silver	No	-
86052DC041	BlueChoice HSA	86052DC0410003	05	BlueChoice HSA Silver \$1300 87%	On	HMO	Yes	87.9%	Silver	No	-
86052DC041	BlueChoice HSA	86052DC0410003	04	BlueChoice HSA Silver \$1300 73%	On	HMO	Yes	73.5%	Silver	No	329
86052DC042	BlueChoice Plus	86052DC0420002	01	BlueChoice Plus Silver \$2500 Base	On	POS	Yes	70.2%	Silver	No	474
86052DC042	BlueChoice Plus	86052DC0420002	06	BlueChoice Plus Silver \$2500 94%	On	POS	Yes	93.7%	Silver	No	-
86052DC042	BlueChoice Plus	86052DC0420002	05	BlueChoice Plus Silver \$2500 87%	On	POS	Yes	87.9%	Silver	No	-
86052DC042	BlueChoice Plus	86052DC0420002	04	BlueChoice Plus Silver \$2500 73%	On	POS	Yes	73.9%	Silver	No	72
86052DC042	BlueChoice Plus	86052DC0420001	01	BlueChoice Plus Bronze \$5500	On	POS	Yes	61.5%	Bronze	No	755
86052DC040	BlueChoice	86052DC0400002	01	BlueChoice Gold \$0	On	HMO	Yes	79.3%	Gold	No	919
86052DC040	BlueChoice	86052DC0400003	01	BlueChoice Gold \$1000	On	HMO	Yes	78.3%	Gold	No	1,603
86052DC040	BlueChoice	86052DC0400001	01	BlueChoice Silver \$2000 Base	On	HMO	Yes	69.0%	Silver	No	918
86052DC040	BlueChoice	86052DC0400001	06	BlueChoice Silver \$2000 94%	On	HMO	Yes	93.2%	Silver	No	-
86052DC040	BlueChoice	86052DC0400001	05	BlueChoice Silver \$2000 87%	On	HMO	Yes	87.7%	Silver	No	-
86052DC040	BlueChoice	86052DC0400001	04	BlueChoice Silver \$2000 73%	On	HMO	Yes	72.8%	Silver	No	139
86052DC043	HealthyBlue	86052DC0430001	01	HealthyBlue Gold \$1500	On	POS	Yes	82.0%	Gold	No	1,020
86052DC043	HealthyBlue	86052DC0430002	01	HealthyBlue Platinum \$0	On	POS	Yes	89.8%	Platinum	No	3,626
											17,800

Existing Products Included in Experience Period

HIOS Product ID	HIOS Product Name	Contracts, as of 12/31/2013	Member Months	Total Premium	Total Allowed Claims	Incurred Claims
86052DC002	BlueChoice HMO Saver	15	377	\$ 66,800	\$ 33,817	\$ 26,682
86052DC004	BlueChoice HMO Open Enrollment	1,350	21,110	\$ 5,897,983	\$ 12,039,175	\$ 10,954,431
86052DC005	BlueChoice HMO HIPAA	32	352	\$ 230,261	\$ 193,255	\$ 172,088
86052DC006	HealthyBlue Triple Option	88	1,574	\$ 357,262	\$ 303,705	\$ 226,491
86052DC007	HealthyBlue Dual Option HSA	2	40	\$ 6,006	\$ 1,767	\$ 200
86052DC020	BlueChoice HMO Standard	68	1,406	\$ 6,528,754	\$ 275,415	\$ 247,133
86052DC021	BlueChoice HMO HSA	43	887	\$ 121,565	\$ 426,161	\$ 373,505
86052DC022	HealthyBlue 2.0	1,253	14,548	\$ 2,601,932	\$ 2,485,283	\$ 1,913,449
86052DC029	BlueChoice Group Conversion	6	70	\$ 30,899	\$ 8,050	\$ 7,404
86052DC034	HealthyBlue Advantage HSA	276	2,596	\$ 316,105	\$ 275,206	\$ 123,184
Total		3,133	42,960	\$ 16,157,567	\$ 16,041,833	\$ 14,044,566

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

Acronym	Definition
BC	CareFirst BlueChoice Inc.
AV	Actuarial Value
Med	Medical
Rx	Prescription Drugs
Non-CDH	Non-Consumer Driven Health
CDH	Consumer Driven Health
HSA	Health Savings Account
HRA	Health Reimbursement Account
PPO	Preferred Provider Organization
PPO HSA	Preferred Provider Organization Health Savings Account
PPO HRA	Preferred Provider Organization Health Reimbursement Account
DICR	Desired Incurred Claims Ratio
MLR	Medical Loss Ratio (as defined by PPACA)
IBNR	Incurred But Not Reported
IAF	Income Adjustment Factors
PCP	Primary Care Physician
ER	Emergency Room
OON	Out of Network
IP	Inpatient
OP	Outpatient
Prof	Professional
OOP	Out of Pocket
Co-ins	Coinsurance

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
IND64- DISTRICT OF COLUMBIA BLUECHOICE RATE CHANGE SUMMARY

	1	3	4	6	7	9	10	11	12	13	14	15
			RATE FILING Projected Members 12/31/14		ACTUALS A/O 05/12/14							
	Benefit Plan	FPL	PUBLIC ON-EXCH	%	PUBLIC ON-EXCH	%	Actual- Filing Δ	HHS AV 2014	Base Rate 1/1/14	HHS AV 2015	Base Rate 1/1/15	Δ
1	Catastrophic/Young Adult		675	6%	334	7%	0%	N/A \$	99	N/A \$	123	24.1%
2												
3	Bronze Plans											
4	BlueChoice HSA Bronze \$4,000		1,654	15%	720	14%	-1%	0.601 \$	176	0.601 \$	198	12.5%
5	BlueChoice Plus Bronze \$5,500		945	9%	218	4%	-5%	0.613 \$	209	0.615 \$	224	7.2%
6	BlueChoice HSA Bronze \$6,000		945	9%	612	12%	3%	0.592 \$	171	0.592 \$	191	12.0%
7	Subtotal:		3,544	33%	1,550	30%	-3%	0.599 \$	178	0.600 \$	199	11.5%
8												
9	Silver Plans											
10	BlueChoice HSA Silver \$1,300	100-150%	348	3%		0%	-3%	0.932 \$	245	0.932 \$	263	7.4%
11		151%-200%	387	4%		0%	-4%	0.877 \$	245	0.879 \$	263	7.4%
12		201-250%	345	3%	95	2%	-1%	0.735 \$	245	0.735 \$	263	7.4%
13		251-400%		0%		0%	0%					
14		401%+	1,080	10%	624	12%	2%	0.696 \$	245	0.696 \$	263	7.4%
15	Subtotal:		2,160	20%	719	14%	-6%	0.702 \$	245	0.702 \$	263	7.4%
16												
17	BlueChoice Silver \$2,000	100-150%	217	2%		0%	-2%	0.932 \$	249	0.932 \$	280	12.5%
18		151%-200%	242	2%		0%	-2%	0.878 \$	249	0.877 \$	280	12.5%
19		201-250%	216	2%	40	1%	-1%	0.726 \$	249	0.728 \$	280	12.5%
20		251-400%		0%		0%	0%					
21		401%+	675	6%	265	5%	-1%	0.688 \$	249	0.690	\$280	12.5%
22	Subtotal:		1,350	13%	305	6%	-7%	0.693 \$	249	0.695 \$	280	12.5%
23												
24	BlueChoice Plus Silver \$2,500	100-150%	152	1%		0%	-1%	0.937 \$	266	0.937 \$	279	4.6%
25		151%-200%	169	2%		0%	-2%	0.878 \$	266	0.879 \$	279	4.6%
26		201-250%	151	1%	21	0%	-1%	0.739 \$	266	0.739 \$	279	4.6%
27		251-400%		0%		0%	0%					
28		401%+	473	4%	137	3%	-2%	0.701 \$	266	0.702 \$	279	4.6%
29	Subtotal:		945	9%	157	3%	-6%	0.706 \$	266	0.707 \$	279	4.6%
30												
31	Gold Plans											
32	BlueChoice Gold \$0		810	8%	265	5%	-2%	0.793 \$	333	0.793 \$	343	2.8%
33	BlueChoice Gold \$1,000		203	2%	462	9%	7%	0.783 \$	284	0.783 \$	333	17.3%
34	HealthyBlue Gold \$1,500		608	6%	294	6%	0%	0.820 \$	335	0.820 \$	372	11.0%
35	Subtotal:		1,620	15%	1,021	20%	5%	0.796 \$	311	0.796 \$	347	11.3%
36												
37	Platinum Plans											
38	HealthyBlue Platinum \$0		473	4%	1,045	20%	16%	0.900 \$	380	0.898 \$	454	19.3%
39												
40	BlueChoice		10,766	100%	5,132	100%		0.732 \$	257	0.731 \$	291	13.4%
41												
42	LOW RENEWAL (Minimum):											2.8%
43	HIGH RENEWAL (Maximum):											24.1%

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
IND64- DISTRICT OF COLUMBIA CFI RATE CHANGE SUMMARY

1	3	4	6	7	9	10	11	12	13	14	15
		RATE FILING		ACTUALS A/O 05/12/14							
		Projected Members 12/31/14									
		PUBLIC	%	PUBLIC	%	Actual-Filing	HHS	Base	HHS	Base	
		ON-EXCH		ON-EXCH		Δ	AV	Rate	AV	Rate	Δ
							2014	1/1/14	2015	1/1/15	
1	Benefit Plan	FPL									
2	Catastrophic/Young Adult	675	5%	334	5%	0%	N/A	\$ 99	N/A	\$ 123	24.1%
3	Bronze Plans										
4	BluePreferred HSA Bronze \$3,500	1,181	9%	311	5%	-4%	0.612	\$ 238	0.612	\$ 263	10.4%
5	BlueChoice HSA Bronze \$4,000	1,654	12%	720	11%	-1%	0.601	\$ 176	0.601	\$ 198	12.5%
6	BlueChoice Plus Bronze \$5,500	945	7%	218	3%	-4%	0.613	\$ 209	0.615	\$ 224	7.2%
7	BlueChoice HSA Bronze \$6,000	945	7%	612	9%	2%	0.592	\$ 171	0.592	\$ 191	12.0%
8	Subtotal:	4,725	35%	1,861	28%	-7%	0.601	\$ 188	0.602	\$ 210	11.2%
9	Silver Plans										
10	BlueChoice HSA Silver \$1,300	100-150%	348	3%	0%	-3%	0.932	\$ 245	0.932	\$ 263	7.4%
11		151%-200%	387	3%	0%	-3%	0.877	\$ 245	0.879	\$ 263	7.4%
12		201-250%	345	3%	95	1%	0.735	\$ 245	0.735	\$ 263	7.4%
13		251-400%		0%		0%					
14		401%+	1,080	8%	624	9%	0.696	\$ 245	0.696	\$ 263	7.4%
15	Subtotal:	2,160	16%	719	11%	-5%	0.702	\$ 245	0.702	\$ 263	7.4%
16	BluePreferred HSA Silver \$1,500	100-150%	152	1%	0%	-1%	0.932	\$ 301	0.932	\$ 314	4.1%
17		151%-200%	169	1%	0%	-1%	0.873	\$ 301	0.876	\$ 314	4.1%
18		201-250%	151	1%	43	1%	0.737	\$ 301	0.737	\$ 314	4.1%
19		251-400%		0%		0%					
20		401%+	473	4%	285	4%	0.684	\$ 301	0.684	\$ 314	4.1%
21	Subtotal:	945	7%	328	5%	-2%	0.691	\$ 301	0.691	\$ 314	4.1%
22	BlueChoice Silver \$2,000	100-150%	217	2%	0%	-2%	0.932	\$ 249	0.932	\$ 280	12.5%
23		151%-200%	242	2%	0%	-2%	0.878	\$ 249	0.877	\$ 280	12.5%
24		201-250%	216	2%	40	1%	0.726	\$ 249	0.728	\$ 280	12.5%
25		251-400%		0%		0%					
26		401%+	675	5%	265	4%	0.688	\$ 249	0.690	\$ 280	12.5%
27	Subtotal:	1,350	10%	305	5%	-5%	0.693	\$ 249	0.695	\$ 280	12.5%
28	BlueChoice Plus Silver \$2,500	100-150%	152	1%	0%	-1%	0.937	\$ 266	0.937	\$ 279	4.6%
29		151%-200%	169	1%	0%	-1%	0.878	\$ 266	0.879	\$ 279	4.6%
30		201-250%	151	1%	21	0%	0.739	\$ 266	0.739	\$ 279	4.6%
31		251-400%		0%		0%					
32		401%+	473	4%	137	2%	0.701	\$ 266	0.702	\$ 279	4.6%
33	Subtotal:	945	7%	157	2%	-5%	0.706	\$ 266	0.707	\$ 279	4.6%
34	Gold Plans										
35	BlueChoice Gold \$0	810	6%	265	4%	-2%	0.793	\$ 333	0.793	\$ 343	2.8%
36	BluePreferred Gold \$500	405	3%	352	5%	2%	0.783	\$ 376	0.783	\$ 425	13.3%
37	BlueChoice Gold \$1,000	203	2%	462	7%	5%	0.783	\$ 284	0.783	\$ 333	17.3%
38	HealthyBlue Gold \$1,500	608	5%	294	4%	0%	0.820	\$ 335	0.820	\$ 372	11.0%
39	Subtotal:	2,025	15%	1,373	21%	6%	0.793	\$ 328	0.793	\$ 367	11.9%
40	Platinum Plans										
41	HealthyBlue Platinum \$0	473	4%	1,045	16%	12%	0.900	\$ 380	0.898	\$ 454	19.3%
42	BluePreferred Platinum \$0	203	2%	508	8%	6%	0.882	\$ 469	0.882	\$ 541	15.3%
43	Subtotal:	675	5%	1,554	23%	18%	\$	409	\$	482	17.8%
44	TOTAL:	13,500	100%	6,631	100%	0%	\$	281	\$	317	13.0%
45		100%	100%	100%	100%						
46											
47	BlueChoice	10,766	80%	5,132	77%	-2%	0.732	\$ 257	0.731	\$ 291	13.4%
48	GHMSI	2,734	20%	1,499	23%	2%	0.761	\$ 363	0.761	\$ 406	12.1%
49	Subtotal:	13,500	100%	6,631	100%	0%	0.738	\$ 281	0.738	\$ 317	13.0%
50	PPO/HMO Ratio:							1.41		1.39	
51	LOW RENEWAL (Minimum):										2.8%
52	HIGH RENEWAL (Maximum):										24.1%

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Morbidity Impact on Small Group/Individual HMO/PPO combined

The current combined Individual/Small Group non-Grandfathered pool is expected to increase from approximately 72,700 members today to approximately 94,000 members in 2015. This 21,300 member increase is expected to come from an influx of the following new entrants:

- a) Prior IND64- grandfathered members (Underwritten, HIPAA, Group Conversion, Open Enrollment) - ~1,100 members
- b) Former large group enrollees - ~2,000 members
- c) Former small group enrollees - ~500 members
- d) Newly insured entrants who were formerly uninsured - ~3,000 members
- e) Congress - ~10,100 members
- f) Competitors - ~4,600 members

The estimated average morbidity of these 21,300 new entrants is approximately 0.99 compared to the current Small Group/Individual merged pool and when blended with the 1.00 morbidity of the current pool, yields a resultant 2015 morbidity of 1.00 in relation to the current non-Grandfathered pool.

BlueChoice, Inc.
D.C. Individual & Small Group Products - Rate Filing Effective 1/1/2014
BlueChoice D.C. Individual Non-Medigap & Small Group Allowed PMPM Projection (Includes EHB and Non-EHB Claims) - Non-Grandfathered Business Only - 1/1/2014 (Merged)

	Begin	End	Mid-point	Months of Trend	
Experience Period	1/1/2013	12/31/2013	7/1/2013		pd through
Rating Period	1/1/2015	12/31/2015	7/1/2015	24.0	3/31/2014
Experience Period Summary	Total				
Experience Period Premiums	\$ 137,679,176				
MLR Rebates (enter as negative)	\$ -				
Net Experience Period Premiums	\$ 137,679,176				
Experience Period Paid Claims (Non-Capitated)	\$ 123,160,041				
Completion Factor	0.99				
Experience Period Incurred Claims (Non-Capitated)	\$ 123,866,461				
Capitations	\$ 713,706				
Rx Rebates	\$ (2,892,799)				
Other Manual Claims	\$ -				
Total Experience Period Claims	\$ 121,687,368				
Experience Period Loss Ratio (Before MLR Rebates)	88.38%				
Experience Period Loss Ratio (After MLR Rebates)	88.38%				
Experience Period Loss Ratio (System Claims Only)	89.97%				
Experience Period Member Months	438,476				
Average Members	36,540				
End of Experience Period Contract	25,258				
End of Experience Period Members	40,243				
Experience Period Allowed Claims (System Only)	\$ 139,164,193				
Adjustments	\$ (2,179,093)				
Total Adjusted EP Allowed Claims	\$ 136,985,100				
EP Paid / Allowed Ratio	88.8%				

Service Category Level Projection

Service Category Experience Period Allowed	Utilization Measure	EP Units	EP Allowed \$	Other	Rx Rebates	Net Allowed
Inpatient	Admits	1,968	\$ 27,068,642	\$ -	\$ -	\$ 27,068,642
Outpatient	Visits	19,978	\$ 24,411,199	\$ -	\$ -	\$ 24,411,199
Professional	Visits	321,550	\$ 46,066,170	\$ -	\$ -	\$ 46,066,170
Other	Services	22,097	\$ 5,659,419	\$ -	\$ -	\$ 5,659,419
Rx	Scripts	300,654	\$ 35,958,763	\$ -	\$ (2,892,799)	\$ 33,065,964
Capitation	Average Members	36,540	\$ 713,706	\$ -	\$ -	\$ 713,706
Total			\$ 139,877,899	\$ -	\$ (2,892,799)	\$ 136,985,100
Check (excluding capitations)			16,041,833	\$ -	\$ -	0
PMPM			\$ 319.01	\$ -	\$ (6.60)	\$ 312.41

Annual Trend Inputs	
Cost Trend	Utilization Trend
7.0%	1.0%
9.5%	0.0%
0.0%	4.5%
0.0%	6.0%
7.0%	1.0%
2.0%	0.0%

Service Category Experience Period Allowed	Experience Period			Projection Factors		Cost Factor	Utilization Factor	Total Factor	Projected			Effective Allowed PMPM
	Utilization Measure	Util / 1000	Unit Cost	PMPM	Population Risk / Morbidity*	Other			Util / 1000	Unit Cost	PMPM	
Inpatient	Admits	53.86	\$ 13,753.39	\$ 61.73	1.00	0.99	1.145	1.020	1.16	\$ 54.95	\$ 15,656.85	\$ 71.69
Outpatient	Visits	546.75	\$ 1,221.89	\$ 55.67	1.00	0.99	1.199	1.000	1.19	\$ 546.75	\$ 1,456.76	\$ 66.37
Professional	Visits	8,800.02	\$ 143.26	\$ 105.06	1.00	1.04	1.000	1.092	1.13	\$ 9,609.84	\$ 148.88	\$ 119.23
Other	Services	604.74	\$ 256.12	\$ 12.91	1.00	1.29	1.000	1.124	1.45	\$ 679.49	\$ 331.50	\$ 18.77
Rx	Scripts	8,228.15	\$ 109.98	\$ 75.41	1.00	0.96	1.145	1.020	1.12	\$ 8,393.54	\$ 120.96	\$ 84.61
Capitation	Benefit Period	1,000.00	\$ 19.53	\$ 1.63	1.00	0.96	1.040	1.000	1.00	\$ 1,000.00	\$ 19.45	\$ 1.62
Total				\$ 312.41								
Projected Allowed Claims PMPM (EHB + Non-EHB)											\$ 362.29	7.0%
Non-EHB Claims In Projected PMPM**											1.20	
Index Rate for EHB											\$ 361.09	

* Please refer to page 74 for more information.

Check -

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Trend Support - Combined

		Experience Period Actual Trend		Projection Period Trend		Difference Exp vs. Proj trend	
		Rolling-12 month trend		Rolling-12 month trend			
	Total Allowed	Unit Cost	Utilization	Unit Cost	Utilization	Unit Cost	Utilization
Inpatient	\$ 27,068,642	9.0%	-0.6%	7.0%	1.0%	-2.0%	1.6%
Outpatient	\$ 24,411,199	9.3%	-1.8%	9.5%	0.0%	0.2%	1.8%
Professional	\$ 46,066,170	-0.2%	3.2%	0.0%	4.5%	0.2%	1.3%
Other	\$ 5,659,419	-0.4%	8.5%	0.0%	6.0%	0.4%	-2.5%
Rx	\$ 35,958,763	5.2%	-0.4%	7.0%	1.0%	1.8%	1.4%
Total Trend (Cost and Utilization Combined)		4.7%	0.9%	4.8%	2.2%	0.2%	1.3%
			5.6%		7.0%		1.5%

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Reinsurance Estimate

BC Benefit Factor Modeling

Base 2013 MSGR CPD

PMPM	\$	280.88
	\$	280.88
99.92%	\$	3,370.57

Frequency	Total Paid
No Claims	18.56% \$ -
\$ 0 - \$ 49	3.50% \$ 19.65
\$ 50 - \$ 99	3.29% \$ 78.28
\$ 100 - \$ 149	3.86% \$ 124.83
\$ 150 - \$ 199	3.27% \$ 174.47
\$ 200 - \$ 249	2.85% \$ 225.38
\$ 24,000 - \$ 24,999	0.13% \$ 24,578.29
\$ 25,000 - \$ 29,999	0.49% \$ 27,509.24
\$ 30,000 - \$ 34,999	0.35% \$ 32,446.11
\$ 35,000 - \$ 39,999	0.27% \$ 37,474.94
\$ 40,000 - \$ 44,999	0.19% \$ 42,497.79
\$ 45,000 - \$ 49,999	0.15% \$ 47,627.49
\$ 50,000 - \$ 54,999	0.12% \$ 52,595.92
\$ 55,000 - \$ 59,999	0.10% \$ 57,587.06
\$ 60,000 - \$ 64,999	0.08% \$ 62,670.17
\$ 65,000 - \$ 69,999	0.06% \$ 67,656.07
\$ 70,000 - \$ 74,999	0.05% \$ 72,784.83
\$ 75,000 - \$ 79,999	0.04% \$ 77,675.06
\$ 80,000 - \$ 84,999	0.04% \$ 82,894.46
\$ 85,000 - \$ 89,999	0.03% \$ 87,825.27
\$ 90,000 - \$ 94,999	0.03% \$ 92,957.06
\$ 95,000 - \$ 99,999	0.03% \$ 97,721.12
\$100,000 - \$104,999	0.02% \$ 103,261.63
\$105,000 - \$109,999	0.02% \$ 107,835.25
\$110,000 - \$114,999	0.02% \$ 113,176.34
\$115,000 - \$119,999	0.01% \$ 117,663.98
\$120,000 - \$124,999	0.02% \$ 123,001.76
\$125,000 - \$129,999	0.01% \$ 127,981.00
\$130,000 - \$134,999	0.01% \$ 133,624.21
\$135,000 - \$139,999	0.01% \$ 137,757.12
\$140,000 - \$144,999	0.01% \$ 142,633.69
\$145,000 - \$149,999	0.01% \$ 147,890.87
\$150,000 - \$154,999	0.01% \$ 153,070.20
\$155,000 - \$159,999	0.01% \$ 157,927.92
\$160,000 - \$164,999	0.01% \$ 163,808.96
\$165,000 - \$169,999	0.01% \$ 167,769.12
\$170,000 - \$174,999	0.01% \$ 172,068.51
\$175,000 - \$179,999	0.00% \$ 178,392.63
\$180,000 - \$184,999	0.00% \$ 184,483.77
\$185,000 - \$189,999	0.00% \$ 189,160.14
\$190,000 - \$194,999	0.00% \$ 192,795.68
\$195,000 - \$199,999	0.00% \$ 197,706.50
\$200,000 - \$204,999	0.00% \$ 202,424.91
\$205,000 - \$209,999	0.00% \$ 209,467.86
\$210,000 - \$214,999	0.00% \$ 214,030.78
\$215,000 - \$219,999	0.00% \$ 220,014.30
\$220,000 - \$224,999	0.00% \$ 223,270.38
\$225,000 - \$229,999	0.00% \$ 230,287.35
\$230,000 - \$234,999	0.00% \$ 233,979.65
\$235,000 - \$239,999	0.00% \$ 241,934.50
\$240,000 - \$244,999	0.00% \$ 245,076.41
\$245,000 - \$249,999	0.00% \$ 244,035.39
\$250,000 - \$254,999	0.00% \$ 254,077.38
\$255,000 - \$259,999	0.00% \$ 258,268.42
\$260,000 - \$264,999	0.00% \$ 263,897.19
\$265,000 - \$269,999	0.00% \$ 268,043.00
\$270,000 - \$274,999	0.00% \$ 275,786.33
\$275,000 - \$279,999	0.00% \$ 277,849.94
\$280,000 - \$284,999	0.00% \$ 283,203.22
\$285,000 - \$289,999	0.00% \$ 287,482.62
\$290,000 - \$294,999	0.00% \$ 293,362.02
\$295,000 - \$299,999	0.00% \$ 298,293.04
\$300,000 - \$9,999,999	0.03% \$ 460,496.96

Projected 2015 Total CPD

Proj PMPM	\$	240.18	From DICR tabs
Calc PMPM	\$	328.01	Computed from assume reins

Frequency	Total Paid	Reinsured
100.00%	\$	3,936.09
18.48%	\$ -	\$ -
3.46%	\$ 20.14	\$ -
3.26%	\$ 80.24	\$ -
3.82%	\$ 127.95	\$ -
3.24%	\$ 178.83	\$ -
2.82%	\$ 231.01	\$ -
0.16%	\$ 25,192.75	\$ -
0.64%	\$ 28,196.98	\$ -
0.46%	\$ 33,257.27	\$ -
0.36%	\$ 38,411.81	\$ -
0.25%	\$ 43,560.23	\$ -
0.19%	\$ 48,818.17	\$ -
0.15%	\$ 53,910.82	\$ -
0.13%	\$ 59,026.74	\$ -
0.11%	\$ 64,236.93	\$ -
0.08%	\$ 69,347.47	\$ -
0.07%	\$ 74,604.45	\$ 2,302.23
0.06%	\$ 79,616.93	\$ 4,808.47
0.05%	\$ 84,966.82	\$ 7,483.41
0.04%	\$ 90,020.90	\$ 10,010.45
0.04%	\$ 95,280.98	\$ 12,640.49
0.04%	\$ 100,164.14	\$ 15,082.07
0.03%	\$ 105,843.17	\$ 17,921.59
0.02%	\$ 110,531.13	\$ 20,265.57
0.03%	\$ 116,005.75	\$ 23,002.88
0.02%	\$ 120,605.58	\$ 25,302.79
0.02%	\$ 126,076.80	\$ 28,038.40
0.02%	\$ 131,180.53	\$ 30,590.26
0.02%	\$ 136,964.82	\$ 33,482.41
0.01%	\$ 141,201.05	\$ 35,600.53
0.02%	\$ 146,199.53	\$ 38,099.77
0.01%	\$ 151,588.14	\$ 40,794.07
0.01%	\$ 156,896.96	\$ 43,448.48
0.01%	\$ 161,876.12	\$ 45,938.06
0.01%	\$ 167,904.18	\$ 48,952.09
0.01%	\$ 171,963.34	\$ 50,981.67
0.01%	\$ 176,370.22	\$ 53,185.11
0.00%	\$ 182,852.45	\$ 56,426.22
0.01%	\$ 189,095.87	\$ 59,547.93
0.01%	\$ 193,889.14	\$ 61,944.57
0.00%	\$ 197,615.57	\$ 63,807.79
0.01%	\$ 202,649.16	\$ 66,324.58
0.01%	\$ 207,485.54	\$ 68,742.77
0.00%	\$ 214,704.56	\$ 72,352.28
0.00%	\$ 219,381.55	\$ 74,690.77
0.00%	\$ 225,514.65	\$ 77,757.33
0.00%	\$ 228,852.14	\$ 79,426.07
0.00%	\$ 236,044.54	\$ 83,022.27
0.00%	\$ 239,829.15	\$ 84,914.57
0.00%	\$ 247,982.86	\$ 88,991.43
0.00%	\$ 251,203.32	\$ 90,000.00
0.00%	\$ 250,136.27	\$ 90,000.00
0.00%	\$ 260,429.31	\$ 90,000.00
0.00%	\$ 264,725.13	\$ 90,000.00
0.00%	\$ 270,494.61	\$ 90,000.00
0.00%	\$ 274,744.08	\$ 90,000.00
0.00%	\$ 282,680.98	\$ 90,000.00
0.00%	\$ 284,796.18	\$ 90,000.00
0.00%	\$ 290,283.30	\$ 90,000.00
0.00%	\$ 294,669.68	\$ 90,000.00
0.00%	\$ 300,696.07	\$ 90,000.00
0.00%	\$ 305,750.37	\$ 90,000.00
0.04%	\$ 472,009.38	\$ 90,000.00

		% Claims (DICR)
Reinsurance Recoveries	\$	16.08
Less Reinsurance fee		(\$3.78)
Net Reinsurance for Plan Derivation Tab	\$	12.30
		5.1%

BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)

D.C. Individual Exchange Products
Rates Effective 1/1/2015

Single Risk Pool Desired Incurred Claims Ratio (DICR) and Average Pool Renewal

	Total
Projected Allowed Claims PMPM (EHB and NonEHB)	\$ 363.16
Projected Paid / Allowed Ratio	66.5%
Reinsurance Factor	94.9%

	PMPM	%
Projected Paid Claims (+ Capitations)	\$ 229.18	74.0%
Admin Costs	\$ 42.00	13.6%
Patient Outcome Tax	\$ 0.18	0.1%
Reinsurance		
Risk Adjustment User Fees	\$ 0.08	0.0%
Broker Commissions & Fees	\$ 8.67	2.8%
Contrib to Reserve	\$ -	0.0%
Invst Income Credit	\$ (0.00)	0.0%
Premium Taxes/Community Health Investment	\$ 6.19	2.0%
Assessment Fees	\$ 0.13	0.0%
Federal Income Tax	\$ -	0.0%
State Income Tax	\$ -	0.0%
Incentive Program	\$ 7.00	2.3%
Exchange Fee (2015)	\$ 3.10	1.0%
General Insurer Tax	\$ 9.91	3.2%
Exchange Fee (2014)	\$ 3.10	1.0%
Total	\$ 309.53	100.0%

i = incurred Claims	\$ 241.56
q = quality improvement	\$ 2.63
p = earned premiums	\$ 306.88
t = state and federal taxes	\$ 19.29
f = licensing and regulatory fee including reinsurance	\$ 3.80
n = risk corridor/risk adjustment payments	\$ -
r = risk corridor/risk adjustment receipts	\$ -
s - Reinsurance receipts	\$ 16.08
c = credibility adjustment	0%

Numerator	\$ 228.10
Denominator (same as p - t - f)	\$ 283.79
Adjusted MLR	80.38%

QI adjustment:

2013 Care data	\$ 15,131,148
Care data removed from claims for MLR purposes	\$ (91,377)
Quality Improvement Expenses	\$ 255,968
Net QI adjustment	\$ 164,591
QI Adjustment as % of care	1.09%

$$MLR = \frac{[(i + q - s + n - r)]}{[(p + s - n + r) - t - f - (s - n + r)]} + c$$

Denominator simplifies to: p-t-f

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
IND64- DC BLUECHOICE PLAN LEVEL DERIVATIONS

1	2	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	24	25
	ON-Exchange 2015 Projected Benefit Plan	TOTAL 2015 Projected EMMs	%	PROJ INDEX RATE (Ave ALW EHB)	Market-Level Adjustments (MLA)				Mkt-Adj INDEX RATE (Post- MLA)	Plan-Level Adjustments (PLA)						Plan-Adj INDEX RATE (Plan- Level)	Pricing AV (vs Plat)	HHS AV	Normalization/Calibration Allowable Rating Factors			Consumer Adjusted PREMIUM RATES 1Q15
					Reins.	Risk Adj	Exch User Fees	Cumul.		Cost Share	Network & UM	Non- EHB	Catas	("HB5") Distrib & Admin	Cumul.				Age	Geo	Cumul.	
1	BlueChoice: Catastrophic/Young Adult	12,418	7%	\$361	0.948	1.000	1.000	0.948	\$342	0.379	0.995	1.006	0.740	1.351	0.379	\$130	27.2%	59.8%	0.950	1.000	0.950	\$123
2																						
3	Bronze Plans																					
4	BlueChoice HSA Bronze \$4,000	26,771	14%	\$361	0.948	1.000	1.000	0.948	\$342	0.450	0.995	1.006	1.000	1.351	0.609	\$209	43.7%	60.1%	0.950	1.000	0.950	\$198
5	BlueChoice Plus Bronze \$5,500	8,099	4%	\$361	0.948	1.000	1.000	0.948	\$342	0.502	1.009	1.006	1.000	1.351	0.687	\$235	49.3%	61.5%	0.950	1.000	0.950	\$224
6	BlueChoice HSA Bronze \$6,000	22,766	12%	\$361	0.948	1.000	1.000	0.948	\$342	0.435	0.995	1.006	1.000	1.351	0.588	\$201	42.2%	59.2%	0.950	1.000	0.950	\$191
7	Subtotal:	57,636	30%	\$361	0.948	1.000	1.000	0.948	\$342	0.451	0.997	1.006	1.000	1.351	0.612	\$209	43.9%	60.0%	0.950	1.000	0.950	\$199
8																						
9	Silver Plans																					
10	BlueChoice HSA Silver \$1,300	26,726	14%	\$361	0.948	1.000	1.000	0.948	\$342	0.597	0.995	1.006	1.000	1.351	0.808	\$277	57.9%	69.6%	0.950	1.000	0.950	\$263
11	BlueChoice Silver \$2,000	11,338	6%	\$361	0.948	1.000	1.000	0.948	\$342	0.636	0.995	1.006	1.000	1.351	0.860	\$294	61.6%	69.0%	0.950	1.000	0.950	\$280
12	BlueChoice Plus Silver \$2,500	5,849	3%	\$361	0.948	1.000	1.000	0.948	\$342	0.625	1.009	1.006	1.000	1.351	0.857	\$293	61.4%	70.2%	0.950	1.000	0.950	\$279
13	Subtotal:	43,913	23%	\$361	0.948	1.000	1.000	0.948	\$342	0.611	0.997	1.006	1.000	1.351	0.827	\$283	59.3%	69.6%	0.950	1.000	0.950	\$269
14																						
15	Gold Plans																					
16	BlueChoice Gold \$0	9,853	5%	\$361	0.948	1.000	1.000	0.948	\$342	0.779	0.995	1.006	1.000	1.351	1.054	\$361	75.6%	79.3%	0.950	1.000	0.950	\$343
17	BlueChoice Gold \$1,000	17,187	9%	\$361	0.948	1.000	1.000	0.948	\$342	0.757	0.995	1.006	1.000	1.351	1.023	\$350	73.4%	78.3%	0.950	1.000	0.950	\$333
18	HealthyBlue Gold \$1,500	10,933	6%	\$361	0.948	1.000	1.000	0.948	\$342	0.835	1.009	1.006	1.000	1.351	1.144	\$392	82.0%	82.0%	0.950	1.000	0.950	\$372
19	Subtotal:	37,973	20%	\$361	0.948	1.000	1.000	0.948	\$342	0.785	0.999	1.006	1.000	1.351	1.066	\$365	76.4%	79.6%	0.950	1.000	0.950	\$347
20																						
21	Platinum Plans																					
22	HealthyBlue Platinum \$0	38,874	20%	\$361	0.948	1.000	1.000	0.948	\$342	1.018	1.009	1.006	1.000	1.351	1.395	\$478	100.0%	89.8%	0.950	1.000	0.950	\$454
23	Subtotal:	38,874	20%	\$361	0.948	1.000	1.000	0.948	\$342	1.018	1.009	1.006	1.000	1.351	1.395	\$478	100.0%	89.8%	0.950	1.000	0.950	\$454
24																						
25	TOTAL:	190,814	100%	\$361	0.948	1.000	1.000	0.948	\$342	0.665	1.000	1.006	0.983	1.351	0.896	\$307	64.3%	73.0%	0.950	1.000	0.950	\$291
26	Average:	15,901													74.0%							

28 Cost-Share Factor = Internal/Carrier-Specific Pricing AV, H.S.A./Non-H.S.A., Benefit Generosity/Induced Demand.
29 Catastrophic Factor = Adjusting rate downwards for inaccuracy of compressed CMS "3:1" curve versus internal ratio of "4.5:1."
30 Network = HMO Open Access and PPO/RPN.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Calculation of Other Projection Factors

Ind<65												
Projection Factor												
Service Category	Maternity	Pediatric Dental	Demographics	Pharmacy Benefit Manager Change	Autism Benefit	Mandatory Generics	Sovaldi	Incentive Program	Out of Network Fee Change	Vision	Early Renewals	Total Other Projection Factor
Inpatient	0.995	1.000	1.011	1.000	1.000	1.000	1.000	0.978	0.998	1.000	1.000	0.982
Outpatient	0.995	1.000	1.011	1.000	1.000	1.000	1.000	0.978	0.998	1.000	1.000	0.982
Professional	0.995	1.000	1.011	1.000	1.015	1.000	1.000	0.978	0.998	1.000	1.000	0.997
Other	1.000	1.301	1.011	1.000	1.000	1.000	1.000	0.978	0.998	1.000	1.000	1.284
Rx	0.995	1.000	1.011	0.924	1.000	1.004	1.041	0.978	0.998	1.000	1.000	0.949
Capitation	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.957	1.000	0.957

BlueChoice, Inc.
DC Small Group On & Off Exchange Products Rates Effective 1/1/2015
Calculation of Other Projection Factors

Small Group												
Projection Factor												
Service Category	Maternity	Pediatric Dental	Demographics	Pharmacy Benefit Manager Change	Autism Benefit	Mandatory Generics	Sovaldi	Incentive Program	Out of Network Fee Change	Vision	Early Renewals	Total Other Projection Factor
Inpatient	1.000	1.000	1.011	1.000	1.000	1.000	1.000	0.970	0.998	1.000	1.017	0.996
Outpatient	1.000	1.000	1.011	1.000	1.000	1.000	1.000	0.970	0.998	1.000	1.017	0.996
Professional	1.000	1.000	1.011	1.000	1.049	1.000	1.000	0.970	0.998	1.000	1.017	1.045
Other	1.000	1.301	1.011	1.000	1.000	1.000	1.000	0.970	0.998	1.000	1.017	1.296
Rx	1.000	1.000	1.011	0.924	1.000	1.004	1.041	0.970	0.998	1.000	1.017	0.962
Capitation	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.957	1.000	0.957

BlueChoice, Inc.
DC Combined On & Off Exchange Products Rates Effective 1/1/2015
Calculation of Other Projection Factors

Combined												
Projection Factor												
Service Category	Maternity	Pediatric Dental	Demographics	Pharmacy Benefit Manager Change	Autism Benefit	Mandatory Generics	Sovaldi	Incentive Program	Out of Network Fee Change	Vision	Early Renewals	Total Other Projection Factor
Inpatient	0.999	1.000	1.011	1.000	1.000	1.000	1.000	0.971	0.998	1.000	1.015	0.994
Outpatient	0.999	1.000	1.011	1.000	1.000	1.000	1.000	0.971	0.998	1.000	1.015	0.994
Professional	0.999	1.000	1.011	1.000	1.045	1.000	1.000	0.971	0.998	1.000	1.015	1.039
Other	1.000	1.301	1.011	1.000	1.000	1.000	1.000	0.971	0.998	1.000	1.015	1.294
Rx	0.999	1.000	1.011	0.924	1.000	1.004	1.041	0.971	0.998	1.000	1.015	0.961
Capitation	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.957	1.000	0.957

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

Support for "Other" adjustment factors

Early Renewal Factor Derivation:

	Allowed Claims	Item	Calculation
	PMPM		
<u>Early Renewal (Small Group Only)</u>			
Experience Period Total Allowed PMPM of Early renewing cohort	\$ 397.23	-1	
Experience Period Total Allowed PMPM of Non-Early renewing cohort	\$ 419.26	-2	
Combined Experience Period Total Allowed PMPM	\$ 412.06	(3)	
<u>Early Renewal Adjustment Factor (Small Group Only)</u>	1.7%	-4	= (2) / (3) - 1
<u>Early Renewal Adjustment Factor (Blended Across Single Risk Pool)</u>	1.5%		

Rx Discount Factor Derivation (Based on CFI Total Book of Business Data)

Grand Total New Allowed	\$ 1,154,386,773	(1)	
Grand Total Old Allowed	\$ 1,249,560,894	(2)	
\$ Difference	\$ (95,174,121)	(3)	
<u>% Difference</u>	-7.6%	(4)	= (3)/(2)

Mandatory Generic Factor Derivation (Based on CFI Total Book of Business Data)

Total \$ Impact Due to Mandatory Generic Drugs	\$ 4,594,160	(1)	
Total 2013 Drug Claims	\$ 1,249,560,894	(2)	
<u>% Increase in Drug Pairs</u>	0.4%	(3)	= (1)/(2)

Sovaldi Factor Derivation

% Impact to total experience period allowed PMPM	1.00%	(1)	
Experience Period Allowed Rx	\$ 75.41	(2)	
Total Experience Period Allowed	\$ 312.41	(3)	
\$ Amount of Sovaldi Drug	\$ 3.12	(4)	= (1) * (3)
<u>Sovaldi Impact to Rx Only</u>	4.10%	(5)	= (4) / (2)

Changes in treatment of ABA services

Ind64-

\$ Impact to Experience Period Allowed PMPM	\$ 1.74	(1)	
Experience Period Allowed PMPM for Professional Services	\$ 112.48	(2)	
<u>Changes in treatment of ABA services - Impact (to Ind64- Professional only)</u>	1.5%	(3)	= (1)/(2)

Small Group

\$ Impact to Experience Period Allowed PMPM	\$ 5.15	(4)	
Experience Period Allowed PMPM for Professional Services	\$ 104.25	(5)	
<u>Changes in treatment of ABA services - Impact (to Small Group Professional only)</u>	4.9%	(6)	= (4)/(5)

<u>Changes in treatment of ABA services - Impact (Blended Across Single Risk Pool)</u>	4.5%
--	------

Demographic Factor Derivation

<u>Demographic Impact (Blended Across Single Risk Pool)</u>	1.1%
---	------

Fee Schedule Change - Out-of-Network service area

We were able to reduce a portion of our Out-of-Network fee schedule or NP3. The result is a positive impact on savings and thus a negative impact on claims experience. The value below represents the expected savings and is applied to the each service category (except capitation) of the Index Rate Derivation. It is specifically applied to all of the "Other Projection Factors".

<u>Fee Schedule Change - Out-of-Network service area</u>	-0.2%
--	-------

Changes in Maternity Utilization (Ind64- Only)

\$ PMPM Impact to total experience period allowed PMPM	\$ (1.73)	(1)	
Total Experience Period Allowed	\$ 370.32	(2)	
<u>Changes in Maternity Utilization - Impact (Ind64- Only)</u>	-0.5%	(3)	= (1)/(2)

<u>Changes in Maternity Utilization - Impact (Blended Across Single Risk Pool)</u>	-0.1%
--	-------

Note: Blended adjustments are an average of Ind64- and Small Group adjustments, weighted by claims.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Derivation of Embedded Pediatric Dental Rate
Projection Period: 1/1/2015 - 12/31/2015

#	Formula	Description	%	PMPM
1		Base D.C. Dental Allowed PMPM For Members Age 19 and Under Classes 1 -4		\$ 16.32
2		Adjustment to D.C. Benchmark Plan (D.C. FEDVIP)	-1.15%	
3	(3) = (1)*(1+(2))	Adjusted Allowed PMPM Classes 1 - 4		\$ 16.13
4		Base D.C. Dental Allowed PMPM For Members Age 19 and Under Class 5 (Ortho)		\$ 3.44
5		Adjustment to D.C. Benchmark Plan	-40%	
6	(6) = (4)*(1+(5))	Adjusted Allowed PMPM Classes 5 (Ortho)		\$ 2.06
7		Estimated Base Period Allowed PMPM Adjusted to D.C. Benchmark		\$ 18.19
8		Completion Factor (Incurred 12, Paid 14)		0.980
9	(9) = (7)/(8)	Ultimate Base Period Allowed PMPM Adjusted to D.C. Benchmark		\$ 18.56
10		Assumed Annual Trend	5.0%	
11		Assumed Trend Factor for 24 months	1.103	
12	(12) = (9)*(11)	Projected Allowed Pediatric PMPM		\$ 20.46
13		Adjustment to Dental PPO Fee Schedule	0.879	
14	(14) = (12)*(13)	Projected Allowed Pediatric PMPM Based on PPO Fee Schedule		\$ 17.98
15		Adjustment for Planned 1/1/2014 Fee Schedule Increase	1.00	
16	(16) = (14)*(15)	Projected Allowed Pediatric PMPM Adjusted for Fee Schedule Changes		\$ 17.98
13		% of D.C. Small Group & Individual, Non-Medigap Market Age 19 and Under	21.6%	
14	(14) = (12)*(13)	Projected Allowed Pediatric Dental PMPM Spread Over Single Risk Pool		\$ 3.89
15		Base Period Other Medical PMPM		\$ 12.91
16	(20) = [(18) + (19)] / (19)	Projection Factor Entered To Adjust Other Medical Category		1.301
17		Impact on Total Medical and Rx Base Period PMPM		1.012

Notes:

- Row 1** Allowed PMPM for experience period of 01/2013 - 12/2013, pd through 03/2014 for Classes 1- 4
- Row 2** Adjustment factor to account for coverage differences between current plans and DC Benchmark plan for Classes 1 - 4
- Row 4** Allowed PMPM for experience period of 01/2013 - 12/2013, pd through 03/2014 for Class 5 (Ortho)
- Row 5** Adjustment factor to account for coverage differences between current plans and DC Benchmark plan for Class 5 (Ortho), as provided by CareFirst's Dental Network Director.
- Row 11** Projected through 12/31/2015 base on current understanding that all CD exchange member's rates will change on renewal.

Months of Trend	Begin	End	Mid-point	Mo of trend
Experience Period	1/1/2013	12/31/2013	7/1/2013	
Rating Period	1/1/2015	12/31/2015	7/1/2015	24

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Vision Embedded in Medical Plan
Projection Period: 1/1/2015 - 12/31/2015

Derivation of Embedded Pediatric Vision Rate (EHB)

Small Group Embedded PMPM (Davis Vision Capitation)	\$ 1.25
% of D.C. Small Group Market Age 19 and Under	22.6%
Pediatric Vision PMPM Spread Over Small Group Market	\$ 0.28
Individual, non-Medigap Embedded PMPM (Davis Vision Capitation)	\$ 1.77
% of D.C. Individual, non-Medigap Market Age 19 and Under	7.7%
Pediatric Vision PMPM Spread Over Individual Market	\$ 0.14
Blended EHB Pediatric Vision PMPM Spread Over Entire Single Risk Pool	\$ 0.27

Derivation of Embedded Adult Vision Rate (Non-EHB, Individual Market Only)

Individual, non-Medigap Embedded PMPM (Davis Vision Capitation)	\$ 1.16
% of D.C. Individual, non-Medigap Market over Age 19	92.3%
Embedded Adult Vision PMPM Spread Over Individual Market	\$ 1.07
Blended Non-EHB Adult Vision PMPM Spread Over Entire Single Risk Pool	\$ 0.10

Derivation of Projection Factor

Total Embedded Vision PMPM	\$ 0.37
Experience Period Core Vision Capitation PMPM	\$ 0.44
\$ Change from Experience to Projection Period PMPM	\$ (0.07)
Total Experience Period Capitation PMPM	\$ 1.63
Projection Factor to Adjust Capitation Category	0.957

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Impact of new Essential Health Benefits in Individual, Non-Medigap Market

Maternity

BlueChoice already offers full maternity coverage to its Individual, Non-Medigap members. Since many competitors do not offer this coverage today, current Individual BlueChoice maternity utilization is high compared to the rest of the Individual market segment. This is projected to decrease to the D.C. Small Group level, where full maternity coverage is standard across insurers.

Individual Util/1000	31.9	Individual Cost/Case	\$1,521
D.C. Small Group Util/1000	18.2	D.C. Small Group Cost/Case	\$2,269
Expected Change in Util/1000	-13.7	Expected change in Cost/Case:	\$748
Change in Individual Allowed Cost PMPM	\$ (1.73)		
% Impact	-0.5%		
Impact of Maternity on Individual Market PMPM		\$	(1.73)
Impact on Individual & Small Group Market Combined PMPM		\$	(0.17)

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Allowed Maternity Summary

Experience Period

Incurred 10/1/12 - 9/30/13

Cost/Case		Cases/1000		Claims PMPM		% of Total PMPM		Allowed Amounts	
	<u>Maternity</u>		<u>Maternity</u>		<u>Maternity</u>		<u>Maternity</u>		
Ind PPO HSA	\$966	Ind PPO HSA	16	Ind PPO HSA	\$1.35	Ind PPO HSA	0.6%	Ind PPO HSA	\$65,033,416
Ind PPO non-CDH	\$726	Ind PPO non-CDH	18	Ind PPO non-CDH	\$1.07	Ind PPO non-CDH	0.5%	Ind PPO non-CDH	\$107,693,483
Ind Indemnity	\$2,102	Ind Indemnity	12	Ind Indemnity	\$2.06	Ind Indemnity	0.8%	Ind Indemnity	\$153,151,968
Ind HMO HSA	\$1,799	Ind HMO HSA	30	Ind HMO HSA	\$4.56	Ind HMO HSA	2.1%	Ind HMO HSA	\$23,110,865
Ind HMO non-CDH	\$1,904	Ind HMO non-CDH	23	Ind HMO non-CDH	\$3.70	Ind HMO non-CDH	1.5%	Ind HMO non-CDH	\$17,588,018
Ind HB Triple Option	\$1,882	Ind HB Triple Option	74	Ind HB Triple Option	\$11.69	Ind HB Triple Option	4.3%	Ind HB Triple Option	\$9,779,889
Ind HB HSA	\$2,121	Ind HB HSA	53	Ind HB HSA	\$9.44	Ind HB HSA	2.4%	Ind HB HSA	\$874,503
Ind HB 2.0	\$1,984	Ind HB 2.0	25	Ind HB 2.0	\$4.17	Ind HB 2.0	1.9%	Ind HB 2.0	\$33,682,459
DC 50- PPO HSA	\$2,513	DC 50- PPO HSA	13	DC 50- PPO HSA	\$2.82	DC 50- PPO HSA	0.7%	DC 50- PPO HSA	\$17,430,670
DC 50- PPO HRA	\$3,007	DC 50- PPO HRA	16	DC 50- PPO HRA	\$4.07	DC 50- PPO HRA	0.9%	DC 50- PPO HRA	\$5,097,753
DC 50- PPO	\$2,305	DC 50- PPO	18	DC 50- PPO	\$3.54	DC 50- PPO	0.8%	DC 50- PPO	\$199,548,699
DC 50- HMO HSA	\$2,122	DC 50- HMO HSA	17	DC 50- HMO HSA	\$3.01	DC 50- HMO HSA	1.5%	DC 50- HMO HSA	\$4,398,977
DC 50- HMO HRA	\$1,674	DC 50- HMO HRA	7	DC 50- HMO HRA	\$0.97	DC 50- HMO HRA	0.4%	DC 50- HMO HRA	\$1,182,741
DC 50- HMO	\$1,988	DC 50- HMO	18	DC 50- HMO	\$3.09	DC 50- HMO	1.1%	DC 50- HMO	\$32,207,977
DC 50- HMO OO	\$2,111	DC 50- HMO OO	21	DC 50- HMO OO	\$3.80	DC 50- HMO OO	1.1%	DC 50- HMO OO	\$36,230,801
DC 50- BC Adv	\$2,472	DC 50- BC Adv	32	DC 50- BC Adv	\$6.49	DC 50- BC Adv	1.7%	DC 50- BC Adv	\$4,655,884
DC 50- HB Non-CDH	\$2,730	DC 50- HB Non-CDH	15	DC 50- HB Non-CDH	\$3.37	DC 50- HB Non-CDH	1.6%	DC 50- HB Non-CDH	\$168,439
Average Group	\$2,269	Average Group	18	Average Group	\$3.52	Average Group	0.9%		
Average Individual	\$1,521	Average Individual	18	Average Individual	\$2.32	Average Individual	1.0%		

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

Autism Cost Model

Average Cost:

Assume treatment cost per hour for intensive ABA therapy	\$46
Assume treatment cost per hour for other non-intensive therapy	\$97

Children 2-5:
 Children 6-7:
 Children 8-12:
 Children 13-21:

ABA Therapy hrs/wk	Other Therapy hrs/wk	Hrs/Yr Therapy	Cost Per Year Therapy
40	0	2080	94,826
15	5	1040	60,894
0	10	520	50,668
0	8	416	40,534

Utilization:

Assume 1 in every 68 children age 1-21 have Autism or Asperger's. Assume 1 in 3 seek ABA treatment

0.49%

children age 2-5 as a % of total population
 children age 6 as a % of total population
 children age 7 as % total population
 children age 8 as % total population
 children age 9-12 as a % of total population
 children age 13-21 as a % of total population

==> 1.8%
 ==> 0.4%
 0.3%
 0.5%
 ==> 1.7%
 ==> 2.7%

Cost PMPM:

	Ind64-	Small Group
children 2-5:	\$ 0.68	\$ 1.88
Children age 6	\$ 0.10	\$ 0.31
Children age 7	\$ 0.07	\$ 0.30
Children age 8	\$ 0.10	\$ 0.25
children 9-12:	\$ 0.34	\$ 0.92
children 13-21:	\$ 0.45	\$ 1.49
total	\$ 1.74	\$ 5.15

	Ind64-	Small Group	Blended
Adjustment	1.5%	4.9%	4.5%

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Documentation for Sovaldi Estimated Cost for 2015 Exchange Filings

	US Population	320 Million
A	Number of chronic hepatitis C persons in US (source: CDC)	3.2 Million
	Cost per 90-day script of Sovaldi	\$84,000
	However, Sovaldi has to be taken with ribavirin and interferon. Cost of 90day supply of both	<u>\$10,000</u>
B	Total cost per 90-day regimen (Sovaldi + ribavirin + interferon)	\$94,000
C=A*B	Total maximum market potential for 90-day regimen (\$ Billion)	\$300 Billion
D	First quarter Sovaldi sales (Gilead Sciences 1Q14 earnings report)	\$2.27 Billion
E=D*4	Annualized 2014 Sovaldi sales assuming flat growth in Q2-Q4 {lower bound}	\$9 Billion
F=(94/84)*E	Annualized cost of regimen	\$10 Billion
	<u>Breakdown of US Population by payor mix (Million)</u>	
	Commercial	147
	Medicare	51
G	Medicaid	61
	Tricare/Other Insured	10
	Uninsured	<u>47</u>
	US Total Population (2013)	316
	<u>Number of Commercial Equivalent Membership Units (Million)</u>	
	Commercial	147
	Medicare	50
H=G*.75	Medicaid (pays 25% lower costs on brand name drugs than Medicare)	41
	Tricare	<u>10</u>
I	Total Commercial Equivalent Membership Units	248
J=F/I	Cost per commercial equivalent member per year	\$40
K	CFI Risk average allowed claim cost per year	\$4,062
L	Sovaldi regimen costs as % of allowed claims	1.0%
	(lower bound)	
	<u>Upper bound of Sovaldi regimen exposure</u>	
M	Estimated persons in Maryland infected with Hepatitis C (DHMH 2012 report)	100,000
N	CareFirst Maryland membership as % of state population	33%
B	Total cost per 90-day regimen (Sovaldi + ribavirin + interferon)	\$94,000
P	Upper bound of CareFirst Sovaldi exposure (\$ Million)	\$3,102
Q	Estimated CareFirst allowed claims in Maryland (\$ Million)	\$7,700
R	Sovaldi regimen costs as % of allowed claims	40%
	upper bound	

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Estimate of Non-EHB Claims - Individual, non-Medigap & Small Group Markets Combined

Abortion Coverage (Applies to Individual, Non-Medigap & Small Group Markets)

		2013 Member	
Total Abortion Related	Allowed Amount	Months	Exp Period PMPM
BlueChoice	\$446,872	475,831	\$0.94

Projected PMPM

1Q15	\$1.10
2Q15	\$1.12
3Q15	\$1.15
4Q15	\$1.17

Embedded Adult Vision Coverage (Applies to Individual, Non-Medigap Market Only)

Refer to page 18 for details.

Projected PMPM Spread Over Individual Market	Blended with Small Group
\$1.07	\$0.10

Projected PMPM

1Q15	\$0.10
2Q15	\$0.10
3Q15	\$0.10
4Q15	\$0.10

Projection Period Non-EHB

1Q15	\$1.20
2Q15	\$1.22
3Q15	\$1.25
4Q15	\$1.27

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Estimate of non-EHB in Experience and Projection Periods

<u>Total Abortion Related</u>	<u>Allowed Amount</u>	<u>2013 Member Months</u>	<u>Exp Period PMPM</u>	<u>Projected Allowed</u>	<u>Projected 2015 Member Months</u> <u>(On-Exchange)</u>	<u>Projected PMPM</u>
GHMSI	\$64,028	47,691	\$1.34	\$80,016	55,746	\$1.44
BlueChoice	\$21,383	42,960	\$0.50	\$100,497	190,814	\$0.53
SUM:	\$85,411	90,651	\$0.94	\$180,513	246,560	\$0.73
					Rounded up to federal minimum	\$1.00

Core Vision

Davis Vision capitation has been raised because \$10 copay has been dropped from exam.

	<u>% Membership</u>	<u>Exp Period Capitation</u>	<u>Projected Capitation PMPM</u>
Total Capitation		\$0.44	\$1.63
% pediatric members (EHB)	21%	\$0.09	\$0.27
% non-pediatric (non-EHB)	79%	\$0.35	\$1.07

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Plan Level Rate Derivation - On Exchange

Plan Name	BlueChoice Young Adult \$6600	BlueChoice HSA Bronze \$4000	BlueChoice HSA Bronze \$6000	BlueChoice HSA Silver \$1300	BlueChoice Plus Silver \$2500	BlueChoice Plus Bronze \$5500	BlueChoice Gold \$0	BlueChoice Gold \$1000	BlueChoice Silver \$2000	HealthyBlue Gold \$1500	HealthyBlue Platinum \$0	Overall On- Exchange
HIOS Product ID	86052DC040		86052DC041		86052DC042		86052DC040		86052DC043			
HIOS Plan ID	86052DC0400004	86052DC0410001	86052DC0410002	86052DC0410003	86052DC0420002	86052DC0420001	86052DC0400002	86052DC0400003	86052DC0400001	86052DC0430001	86052DC0430002	
Metal Level	Catastrophic	Bronze	Bronze	Silver	Silver	Bronze	Gold	Gold	Silver	Gold	Platinum	
Metallic AV	59.8%	60.1%	59.2%	69.6%	70.2%	61.5%	79.3%	78.3%	69.0%	82.0%	89.8%	
Index Rate (Average Allowed EHB)	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09	\$ 361.09
Market Level Adjustments:												
Reinsurance	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948	
Risk Adjustment	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Exchange User Fees	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Index Rate - Post Market Level Adj.	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$342.43	\$ 342.43
Cost-share factor	0.379	0.450	0.435	0.597	0.625	0.502	0.779	0.757	0.636	0.835	1.018	0.665
Network & UM	0.995	0.995	0.995	0.995	1.009	1.009	0.995	0.995	0.995	1.009	1.009	1.000
Non-EHB	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006
Catastrophic Adj	0.740	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.983
Distribution & Admin Cost	1.351	1.351	1.351	1.351	1.351	1.351	1.351	1.351	1.351	1.351	1.351	1.351
Index Rate - Plan Level	\$129.95	\$208.51	\$201.32	\$276.52	\$293.33	\$235.42	\$360.85	\$350.47	\$294.33	\$391.65	\$477.62	\$306.88
Pricing AV	37.9%	60.9%	58.8%	80.8%	85.7%	68.7%	105.4%	102.3%	86.0%	114.4%	139.5%	
Age Calibration	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950
Geo Calibration	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Smoking Calibration	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Base Premium	\$123.41	\$198.02	\$191.19	\$262.60	\$278.57	\$223.57	\$342.69	\$332.83	\$279.52	\$371.94	\$453.58	\$291.43
Projected Member Months	12,418	26,771	22,766	26,726	5,849	8,099	9,853	17,187	11,338	10,933	38,874	190,814
2014 Index Rate - Plan Level	\$110.28	\$195.09	\$189.15	\$271.04	\$295.13	\$231.25	\$369.42	\$314.60	\$275.53	\$371.49	\$421.37	\$284.85
% Change	17.84%	6.88%	6.43%	2.02%	-0.61%	1.80%	-2.32%	11.40%	6.82%	5.43%	13.35%	7.73%
2014 Base Premium	\$99.48	\$175.99	\$170.63	\$244.50	\$266.24	\$208.61	\$333.25	\$283.80	\$248.55	\$335.12	\$380.12	\$256.96
% Change	24.06%	12.52%	12.05%	7.40%	4.63%	7.17%	2.83%	17.28%	12.46%	10.99%	19.33%	13.41%

non-EHB

Core Vision (Adult)	\$1.07
Abortion	\$1.00

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
2015 Enrollment Projections by Product (BlueChoice & GHMSI)

Total Members	GF Members	PPACA Members
27,000	4,000	23,000
On Exchange	100%	23,000

% by FPL Estimate

<150%	0.0%
151%-200%	0.0%
201%-250%	3.0%
251%-400%	10.0%
>400%	87.0%

33% total will be eligible for cost-share subsidy.
Assume 13% will opt to use their premium subsidy on bronze to get a \$0 premium product.
Assume other 20% will buy silver, so overall 40% silver will be 50/50 subsidized unsubsidized.

Metal Level	% purchased	Members Purchased
Catastrophic	5%	1,158
Bronze	28%	6,455
Silver	23%	5,234
Gold	21%	4,764
Platinum	23%	5,389

			Member Months				Distribution of Non-GF Membership												
			January 60%	February 10%	March 10%	April 10%	May 3.0%	June 1.0%	July 1.0%	August 1.0%	September 1.0%	October 1.0%	November 1.0%	December 1.0%					
BlueChoice Young Adult \$6600	1,158	1,158	8,340	1,274	1,158	1,043	278	81	70	58	46	35	23	12	12,418				
Bronze Plans	6,455																		
BluePreferred HSA Bronze \$3,500	17%	1,079	7,766	1187	1079	971	259	76	65	54	43	32	22	11	11,563				
BlueChoice HSA Bronze \$4,000	39%	2,497	17,980	2747	2497	2248	599	175	150	125	100	75	50	25	26,771				
BlueChoice Plus Bronze \$5,500	12%	755	5,439	831	755	680	181	53	45	38	30	23	15	8	8,099				
BlueChoice HSA Bronze \$6,000	33%	2,124	15,291	2336	2124	1911	510	149	127	106	85	64	42	21	22,766				
Silver Plans	5,234																		
BlueChoice HSA Silver \$1,300	41%	2,164	15,584	2381	2164	1948	519	152	130	108	87	65	43	22	23,202				
CSR 200-250%	6%	329	2,366	362	329	296	79	23	20	16	13	10	7	3	3,523				
CSR 150-200%	0%	0	-	0	0	0	0	0	0	0	0	0	0	0	0				
CSR 100-150%	0%	0	-	0	0	0	0	0	0	0	0	0	0	0	0				
BluePreferred HSA Silver \$1,500	19%	987	7,110	1086	987	889	237	69	59	49	39	30	20	10	10,586				
CSR 200-250%	3%	150	1,080	165	150	135	36	10	9	7	6	4	3	1	1,607				
CSR 150-200%	0%	0	-	0	0	0	0	0	0	0	0	0	0	0	0				
CSR 100-150%	0%	0	-	0	0	0	0	0	0	0	0	0	0	0	0				
BlueChoice Silver \$2,000	18%	918	6,611	1010	918	826	220	64	55	46	37	28	18	9	9,843				
CSR 200-250%	3%	139	1,004	153	139	125	33	10	8	7	6	4	3	1	1,495				
CSR 150-200%	0%	0	-	0	0	0	0	0	0	0	0	0	0	0	0				
CSR 100-150%	0%	0	-	0	0	0	0	0	0	0	0	0	0	0	0				
BlueChoice Plus Silver \$2,500	9%	474	3,411	521	474	426	114	33	28	24	19	14	9	5	5,078				
CSR 200-250%	1%	72	518	79	72	65	17	5	4	4	3	2	1	1	771				
CSR 150-200%	0%	0	-	0	0	0	0	0	0	0	0	0	0	0	0				
CSR 100-150%	0%	0	-	0	0	0	0	0	0	0	0	0	0	0	0				
Gold Plans	4,764																		
BlueChoice Gold \$0	19%	919	6,618	1011	919	827	221	64	55	46	37	28	18	9	9,853				
BluePreferred Gold \$500	26%	1,221	8,794	1343	1221	1099	293	85	73	61	49	37	24	12	13,093				
BlueChoice Gold \$1,000	34%	1,603	11,544	1764	1603	1443	385	112	96	80	64	48	32	16	17,187				
HealthyBlue Gold \$1,500	21%	1,020	7,343	1122	1020	918	245	71	61	51	41	31	20	10	10,933				
Platinum Plans	5,389																		
HealthyBlue Platinum \$0	67%	3,626	26,109	3989	3626	3264	870	254	218	181	145	109	73	36	38,874				
BluePreferred Platinum \$0	33%	1,763	12,692	1939	1763	1586	423	123	106	88	71	53	35	18	18,897				
BluePreferred Subtotal	22.6%	5,200	37,441	5,720	5,200	4,680	1,248	364	312	260	208	156	104	52	55,746	Member Months			
BlueChoice Subtotal	77.4%	17,800	128,159	19,580	17,800	16,020	4,272	1,246	1,068	890	712	534	356	178	190,814	Member Months			
Grand Total		23,000	165,600	25,300	23,000	20,700	5,520	1,610	1,380	1,150	920	690	460	230	246,560				

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Metallic AV Adjustments

Adjustments to AV for plans not accommodated by calculator:

- 1) HealthyBlue Gold \$1,500 has a \$40 copay on Outpatient Facility and Outpatient Physician services in-network, which cannot be accommodated by the model.

To adjust for this, we have computed an actuarially equivalent coinsurance by dividing the \$40 copay by the average allowed amount computed from the continuance table in the federal AV model. The computed coinsurances are shown on page 20 of the attached file, labeled 'AV Calculations.'

- 2) HealthyBlue Platinum \$0 has a \$30 copay on Outpatient Facility and Outpatient Physician services in-network, which cannot be accommodated by the model.

To adjust for this, we have computed an actuarially equivalent coinsurance by dividing the \$30 copay by the average allowed amount computed from the continuance table in the federal AV model. The computed coinsurances are shown on page 21 of the attached file, labeled 'AV Calculations.'

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Pricing AV

Projected EMMS	Plan Name	AV w/ Federal model (Different allowed per metal)	AV from internal Model (Fixed allowed per metal)	AV from internal Model All Silver at Base	Benefit Generosity (Adj. allowed per fed Model)	Benefit Generosity Scaled	HSA vs Non-HSA (Adj for HSA behavior)	HSA vs Non-HSA Scaled	Network Factors	Network Factors Scaled
12,418	BlueChoice Young Adult \$6600		42.3%	42.3%	0.92	0.94	0.92	0.95	1.00	1.00
26,771	BlueChoice HSA Bronze \$4000	60.1%	47.0%	47.0%	0.92	0.94	0.92	0.95	1.00	1.00
22,766	BlueChoice HSA Bronze \$6000	59.2%	45.0%	45.0%	0.92	0.94	0.92	0.95	1.00	1.00
23,202	BlueChoice HSA Silver \$1300	69.6%	61.7%	61.7%	0.95	0.97	0.92	0.95	1.00	1.00
3,523	Silver 200	73.5%	67.8%	61.7%	0.96	0.99	1.01	1.04	1.00	1.00
0	Silver 150	87.9%	82.8%	61.7%	1.05	1.08	1.01	1.04	1.00	1.00
0	Silver 100	93.2%	91.9%	61.7%	1.11	1.14	1.01	1.04	1.00	1.00
5,078	BlueChoice Plus Silver \$2500	70.2%	58.5%	58.5%	0.95	0.97	1.01	1.04	1.01	1.01
771	Silver 200	73.9%	68.8%	58.5%	0.96	0.99	1.01	1.04	1.01	1.01
0	Silver 150	87.9%	82.4%	58.5%	1.05	1.08	1.01	1.04	1.01	1.01
0	Silver 100	93.7%	91.9%	58.5%	1.11	1.14	1.01	1.04	1.01	1.01
8,099	BlueChoice Plus Bronze \$5500	61.5%	47.5%	47.5%	0.92	0.94	1.01	1.04	1.01	1.01
9,853	BlueChoice Gold \$0	79.3%	70.7%	70.7%	1.00	1.03	1.01	1.04	1.00	1.00
17,187	BlueChoice Gold \$1000	78.3%	68.2%	68.2%	1.00	1.03	1.01	1.04	1.00	1.00
9,843	BlueChoice Silver \$2000	69.0%	60.3%	60.3%	0.95	0.97	1.01	1.04	1.00	1.00
1,495	Silver 200	72.8%	68.7%	60.3%	0.96	0.99	1.01	1.04	1.00	1.00
0	Silver 150	87.7%	82.4%	60.3%	1.05	1.08	1.01	1.04	1.00	1.00
0	Silver 100	93.2%	91.9%	60.3%	1.11	1.14	1.01	1.04	1.00	1.00
10,933	HealthyBlue Gold \$1500	82.0%	76.7%	76.7%	1.00	1.03	1.01	1.04	1.01	1.01
38,874	HealthyBlue Platinum \$0	89.8%	88.4%	88.4%	1.07	1.10	1.01	1.04	1.01	1.01
190,814			63.2%	63.0%	0.97	1.00	0.97	1.00	1.00	1.00
Silver Average			61.9%							
Fed Ave Cost-Share Subsidy on Silver			1.0%							

Internal AV model was developed using 2012 small group claims data. This was done because the projected increase in morbidity means the claims distribution is more similar to the projected guaranteed issue pool (in terms of ultimate risk profile) than our current Individual Underwritten distribution. Using the higher small group claims continuance table more accurately estimated future AVs.

Have not updated internal AV model since 2014 filing, consistent with federal AV calculator remaining the same to promote benefit stability.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Derivation of Network Factors

BlueChoice Network Variations

Type	Description
BlueChoice Open Access	No Referrals needed for Specialist Care, No Out of Network Coverage
BlueChoice Plus & HealthyBlue	No Referrals needed, Out of Network allowances pay up to RPN allowance

	In Network	Out of Network
Estimated Utilization Split for BlueChoice Plus	90.0%	10.0%
Allowances Relativity	1.000	1.136
Final Factor for BlueChoice Plus & HealthyBlue		1.014

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Catastrophic Adjustment

PRODT_JURDCN_CD	D	District of Columbia
PRCG_ORGN_CD	C	BlueChoice

Row Labels	Sum of MEMB_COUNT	Sum of MEMB_AGE	Sum of CF Age Factor	Sum of DC Age Factor
HMO-ACA_HSA-Bronze-4000	636	25,022	1,154	715
HMO-ACA_HSA-Bronze-6000	561	21,727	992	621
HMO-ACA_HSA-Silver-1300	646	24,994	1,163	719
HMO-ACA-Catastrophic-CAT	270	6,977	292	196
HMO-ACA-Gold-0	240	8,412	359	231
HMO-ACA-Gold-1000	449	16,025	727	462
HMO-ACA-Silver-2000	273	10,125	457	284
POS-ACA-Bronze-5500	197	7,306	331	207
POS-ACA-Gold-1500	263	9,418	412	262
POS-ACA-Platinum-0	986	34,481	1,495	958
POS-ACA-Silver-2500	142	5,704	266	164
Grand Total	4,663	170,191	7,647	4,819

	Members	Sum of Ages	Sum of CF Factors	Sum of DC Factors	Ave Age	Ave CF Factor	Ave DC Factor
Catastrophic	270	6,977	292	196	25.8	1.083	0.726
Non-Catastrophic	4,393	163,214	7,355	4,623	37.2	1.674	1.052
Catastrophic ratio to entire pool						0.647	0.690

Internal age curve indicates catastrophic members should have claim costs 64.7% of the entire pool based on much younger demographics. DC curve actually charges 69.0% on average. So need to adjust catastrophic plan-level index rate by $0.647/0.690 = 0.937$.

Needed Cat Adjustment	0.937
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BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Utilization Impact

	<u>GHMSI HSA</u>			<u>GHMSI HRA</u>			Utilization Difference (HSA/HRA -1)
	Cases/1000	Claims PMPM	Claims PMPM as % of Total	Cases/1000	Claims PMPM	Claims PMPM as % of Total	
Emergency Room - Facility & Professional	349	\$11.55	2.8%	366	\$10.99	2.2%	-4.6%
Skilled Nursing Facility - I/P - Facility & Professional	6	\$0.42	0.1%	9	\$1.02	0.2%	-33.3%
Inpatient Facility	59	\$64.52	15.6%	59	\$74.34	14.8%	0.0%
Inpatient Professional	386	\$12.82	3.1%	405	\$16.42	3.3%	-4.7%
Ambulatory Surgical Center - Facility & Professional	259	\$13.58	3.3%	276	\$14.13	2.8%	-6.2%
Outpatient Facility	678	\$63.75	15.4%	702	\$85.12	16.9%	-3.4%
Outpatient Professional	10,353	\$132.23	31.9%	11,067	\$138.64	27.6%	-6.5%
RX	10,394	\$115.81	27.9%	11,828	\$162.41	32.3%	-12.1%
Total	22,484	\$414.68	100.0%	24,712	\$503.07	100.0%	-9.0%

To estimate the impact the presence of an HSA account has on utilization, we used small group data (future projected state of Individual market in terms of ultimate risk profile) because it has very large credible blocks of both HSAs and HRAs, which have similar benefits but differ in whether the member can contribute their own money to the account. The above shows that owning the HSA bank account leads to lower overall utilization.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Age Factor Calibration

PRODT_JURDCN_CD	D	District of Columbia
PRCG_ORGN_CD	C	BlueChoice

Member Age	Member Count	Total*Age Factor	Age Rate
0-20	303	198	\$ 223.09
21	19	14	\$ 248.00
22	40	29	\$ 248.00
23	54	39	\$ 248.00
24	75	55	\$ 248.00
25	156	113	\$ 248.00
26	264	192	\$ 248.00
27	243	177	\$ 248.00
28	228	170	\$ 253.80
29	224	170	\$ 259.25
30	208	162	\$ 265.73
31	177	141	\$ 272.56
32	166	136	\$ 278.70
33	151	126	\$ 285.18
34	138	118	\$ 292.00
35	128	112	\$ 298.82
36	111	99	\$ 305.65
37	99	91	\$ 312.47
38	103	95	\$ 316.22
39	81	76	\$ 319.97
40	83	81	\$ 332.59
41	82	83	\$ 345.56
42	87	92	\$ 359.20
43	82	90	\$ 373.19
44	76	86	\$ 387.86
45	52	61	\$ 402.87
46	63	77	\$ 418.56
47	72	92	\$ 434.93
48	82	109	\$ 451.99
49	68	94	\$ 469.73
50	62	89	\$ 488.15
51	80	119	\$ 507.25
52	69	107	\$ 527.04
53	52	83	\$ 547.50
54	70	117	\$ 568.99
55	48	83	\$ 591.17
56	77	139	\$ 614.36
57	58	109	\$ 638.24
58	64	124	\$ 663.14
59	65	131	\$ 689.07
60	48	101	\$ 716.02
61	68	148	\$ 743.99
62	68	148	\$ 743.99
63	57	124	\$ 743.99
64+	62	135	\$ 743.99
Grand Total	4,663	4,936	

Avg Age Factor: 1.059
Weighted Avg Age: 42
Closest Fed Factor for Weighted Ave Age: 1.053
Calibration Factor: = 1/1.053 = 0.950

\$ 361.09

Appendix

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

Rating Methodology

Rates in 2015 will be developed using a member-level build-up.

For each member in a family, that member's age and geographic factor will be multiplied together to get the composite member factor.

Once the member's composite factor is computed, they are added together to get the total factor for policy. Each family member is included in the calculation, except for families that have four or more children 20 years or younger. For these families, only the three oldest children under 21 years of age are included. All children 21 years or older are included for all families.

Note that the factors are not rounded when they are multiplied. The multiplication of a 3-digit age factor and a 3-digit geo factor result in a composite factor with 9 digits after the decimal.

After the policy's total factor is computed by summing the family members, this total factor is multiplied by the base rate. The final result is then rounded to the nearest dollar.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
Reserve Calculation Methodology

We use an IBNR model which is based on the most recent 36 lag months. The great majority of our IBNR is held in the first few lag months (lags 0 through 2), and the completion factors for lags 0-2 are more variable than for other lags. We use a variety of metrics for setting our Incurred Claim estimate for lags 0-2. The metrics we consider include, but are not limited to, incurred claims trend, straight paid claims, inventory levels, loss ratios, and seasonal effects.

For lags 3-35, we use an IBNR method called "Chain and Ladder" method in calculating the IBNR. For lags 36-41, we retain history to have available additional trend factors to be used in the analysis of the reserves. We assume the claims in lags 36-41 are to be 100% complete. The chain-and-ladder develops a set of completion factors based on the completion ratio experience for each product.

The Chain and Ladder model uses the most recent 6 completion ratios for a given lag duration (0 to 34) and applies a smoothing method to estimate these completion ratios. Assuming a completion factor of 1.0 for lags 35 and greater, the completion factor for lag 34 is calculated by taking the product of the estimated completion ratio and completion factor for lag 35. Completion factors for lags 33 to 0 are calculated using this method. We divide the "paid to date" dollars by these completion factors for the given lag month which in turn is used to develop an estimated total incurred amount and corresponding IBNR.

All these factors are considered together to choose an incurred dollar estimate that is consistent with the completion factors, trends, and loss ratios that we have experienced historically for the product line for which we are setting the reserve.

The claims in this experience period of data run from January 2010 and are paid through March 2014. The claims are also incurred through the same time period. All of the months are completed using the methodology described above. Please see the paid, completion factors and corresponding reserve on the next pages. But, for purposes of pricing we only consider an experience period of January 2013 with paid through March 2014 and incurred through December 2013, or an Incurred 12, Paid 15 experience period. Thus we do not include the most recent 2 months in our rating estimates since these months have a higher probability of recasting.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
2015 DC Age Rating Factors

% Δ

Age Band	Age Factor	Age Factor
0-20	0.654	
21	0.727	11.2%
22	0.727	0.0%
23	0.727	0.0%
24	0.727	0.0%
25	0.727	0.0%
26	0.727	0.0%
27	0.727	0.0%
28	0.744	2.3%
29	0.760	2.2%
30	0.779	2.5%
31	0.799	2.6%
32	0.817	2.3%
33	0.836	2.3%
34	0.856	2.4%
35	0.876	2.3%
36	0.896	2.3%
37	0.916	2.2%
38	0.927	1.2%
39	0.938	1.2%
40	0.975	3.9%
41	1.013	3.9%
42	1.053	3.9%
43	1.094	3.9%
44	1.137	3.9%
45	1.181	3.9%
46	1.227	3.9%
47	1.275	3.9%
48	1.325	3.9%
49	1.377	3.9%
50	1.431	3.9%
51	1.487	3.9%
52	1.545	3.9%
53	1.605	3.9%
54	1.668	3.9%
55	1.733	3.9%
56	1.801	3.9%
57	1.871	3.9%
58	1.944	3.9%
59	2.020	3.9%
60	2.099	3.9%
61	2.181	3.9%
62	2.181	0.0%
63	2.181	0.0%
64+	2.181	0.0%

CareFirst BlueCross BlueShield (BlueChoice)
D.C. Individual Exchange Products - Rates Effective 1/1/2015
BlueChoice D.C. Small Group & Individual Base Experience Medical Inpatient
Experience Period: Incurred 201301 - 201312, Paid through 201403

						Completed		Rolling 12 PMPM			Rolling 12 Trend					
Month	Contracts	Members	Allowed	Admits	Completion Factor	Allowed	Admits	Allowed	Admits/1000	Unit Cost	Allowed	Admits/1000	Unit Cost			
201104	20,179	32,103	1,489,395	143	1.00	1,489,395	143									
201105	20,433	32,618	2,812,666	169	1.00	2,812,666	169									
201106	20,558	32,743	1,569,735	142	1.00	1,569,735	142									
201107	20,647	32,974	1,420,853	148	1.00	1,420,853	148									
201108	20,844	33,208	1,789,689	152	1.00	1,789,689	152									
201109	21,046	33,538	1,954,786	151	1.00	1,954,786	151									
201110	21,026	33,329	1,439,394	140	1.00	1,439,394	140									
201111	21,175	33,483	2,013,170	182	1.00	2,013,170	182									
201112	21,594	34,138	1,616,222	166	1.00	1,616,222	166									
201201	21,693	34,301	2,009,919	192	1.00	2,009,919	192									
201202	21,999	34,878	2,727,712	174	1.00	2,727,712	174									
201203	22,133	35,090	2,331,145	161	1.00	2,331,257	161							57.59	57.26	\$12,070.16
201204	22,251	35,294	1,584,525	141	1.00	1,584,696	141							57.37	56.75	\$12,132.34
201205	22,108	35,120	1,759,920	141	1.00	1,760,336	141							54.44	55.58	\$11,755.09
201206	22,593	35,883	1,645,405	146	1.00	1,645,909	146							54.21	55.27	\$11,770.20
201207	22,715	36,080	2,100,653	157	1.00	2,101,284	157							55.45	55.12	\$12,071.76
201208	23,030	36,529	1,745,314	157	1.00	1,745,949	157							54.90	54.83	\$12,016.84
201209	23,253	36,879	2,166,928	167	1.00	2,167,768	167							54.97	54.85	\$12,027.20
201210	23,369	37,068	2,381,986	188	1.00	2,383,063	188							56.71	55.72	\$12,212.40
201211	23,881	37,872	1,348,229	148	1.00	1,349,057	148							54.58	54.21	\$12,083.45
201212	24,214	38,435	1,543,812	150	1.00	1,544,960	150							53.88	53.23	\$12,146.24
201301	24,621	39,171	2,292,325	184	1.00	2,294,540	184	53.93	52.42	\$12,344.51						
201302	24,792	39,397	1,875,749	183	1.00	1,878,149	183	51.46	52.14	\$11,843.75						
201303	24,950	39,658	3,970,770	177	1.00	3,976,655	177	54.61	52.04	\$12,592.52						
201304	25,094	39,885	2,897,217	173	1.00	2,902,838	173	56.97	52.37	\$13,054.40						
201305	25,173	39,831	2,163,004	185	1.00	2,168,580	185	57.28	53.00	\$12,969.17						
201306	25,507	40,354	1,655,462	164	1.00	1,660,318	164	56.76	52.96	\$12,858.78						
201307	25,551	40,481	3,282,567	210	1.00	3,294,587	211	58.78	53.85	\$13,099.17						
201308	25,836	40,969	2,481,955	210	0.99	2,496,208	211	59.82	54.72	\$13,118.32						
201309	25,931	41,107	2,416,767	187	0.99	2,436,094	189	59.86	54.78	\$13,112.22						
201310	25,875	41,086	2,208,549	169	0.99	2,238,682	171	59.05	53.90	\$13,147.61						
201311	26,103	41,553	2,010,873	183	0.98	2,051,808	187	60.06	54.45	\$13,237.02						
201312	26,846	42,793	1,894,928	157	0.97	1,956,015	162	60.36	54.25	\$13,352.03						
201401	27,338	44,096	2,355,294	179	0.93	2,522,821	192	60.22	53.89	\$13,409.75	11.7%	2.8%	8.6%			
201402	26,670	43,171	1,574,237	148	0.80	1,966,869	185	59.94	53.52	\$13,439.27	16.5%	2.7%	13.5%			
201403	25,831	41,851	557,405	54	0.36	1,533,007	149	54.76	52.62	\$12,490.03	0.3%	1.1%	-0.8%			
Experience Period	306,279	486,285	29,150,166	2,182	0.99	29,354,475	2,199									
41334	24,950	39,658										-5.2%	-9.1%	4.3%		
41518	25,931	41,107										8.9%	-0.1%	9.0%		
41609	26,846	42,793										12.0%	1.9%	9.9%		
Avg last 6 months	26,024	41,332										8.3%	-0.6%	9.0%		
Selected Pricing Trend												1.0%	7.0%			

CareFirst BlueCross BlueShield (BlueChoice)
D.C. Individual Exchange Products - Rates Effective 1/1/2015
BlueChoice D.C. Small Group & Individual Base Experience Medical Outpatient
Experience Period: Incurred 201301 - 201312, Paid through 201403

Month	Contracts	Members	Allowed	Visits	Completion Factor	Completed		Rolling 12 PMPM			Rolling 12 Trend		
						Allowed	Visits	Allowed	Visits/1000	Unit Cost	Allowed	Visits/1000	Unit Cost
201104	20,179	32,103	1,413,257	1,442	1.00	1,413,257	1,442						
201105	20,433	32,618	1,388,754	1,549	1.00	1,388,754	1,549						
201106	20,558	32,743	1,467,302	1,554	1.00	1,467,302	1,554						
201107	20,647	32,974	1,399,531	1,409	1.00	1,399,531	1,409						
201108	20,844	33,208	1,700,475	1,578	1.00	1,700,475	1,578						
201109	21,046	33,538	1,691,254	1,567	1.00	1,691,254	1,567						
201110	21,026	33,329	1,701,282	1,600	1.00	1,701,282	1,600						
201111	21,175	33,483	1,658,386	1,553	1.00	1,658,386	1,553						
201112	21,594	34,138	1,653,541	1,558	1.00	1,653,541	1,558						
201201	21,693	34,301	1,566,499	1,609	1.00	1,566,499	1,609						
201202	21,999	34,878	1,656,539	1,608	1.00	1,656,539	1,608						
201203	22,133	35,090	1,786,285	1,809	1.00	1,786,370	1,809						
201204	22,251	35,294	1,574,810	1,535	1.00	1,574,980	1,535						
201205	22,108	35,120	1,776,927	1,715	1.00	1,777,340	1,715						
201206	22,593	35,883	1,964,741	1,640	1.00	1,965,323	1,640						
201207	22,715	36,080	1,953,920	1,723	1.00	1,954,545	1,724						
201208	23,030	36,529	2,151,772	1,767	1.00	2,152,565	1,768						
201209	23,253	36,879	1,613,743	1,667	1.00	1,614,368	1,668						
201210	23,369	37,068	1,920,511	1,759	1.00	1,921,506	1,760						
201211	23,881	37,872	1,763,406	1,658	1.00	1,764,521	1,659						
201212	24,214	38,435	2,020,546	1,703	1.00	2,022,101	1,704						
201301	24,621	39,171	2,044,249	1,879	1.00	2,046,197	1,881	50.73	560.47	\$1,086.24	8.6%	-1.2%	9.9%
201302	24,792	39,397	2,175,420	1,775	1.00	2,177,965	1,777	51.39	559.33	\$1,102.60			
201303	24,950	39,658	2,058,121	1,853	1.00	2,061,297	1,856	51.48	554.88	\$1,113.39			
201304	25,094	39,885	2,042,752	1,948	1.00	2,046,728	1,952	52.00	560.30	\$1,113.76			
201305	25,173	39,831	2,570,830	2,019	1.00	2,577,398	2,024	53.22	562.64	\$1,135.07			
201306	25,507	40,354	2,157,718	1,818	1.00	2,163,940	1,823	53.13	561.94	\$1,134.65			
201307	25,551	40,481	2,389,011	1,837	1.00	2,397,718	1,844	53.58	559.73	\$1,148.77			
201308	25,836	40,969	2,045,610	1,725	0.99	2,057,493	1,735	52.87	553.61	\$1,146.11			
201309	25,931	41,107	2,081,197	1,774	0.99	2,097,876	1,788	53.42	551.73	\$1,161.93			
201310	25,875	41,086	2,230,406	1,919	0.99	2,260,445	1,945	53.68	551.74	\$1,167.57			
201311	26,103	41,553	2,278,239	1,795	0.98	2,324,365	1,831	54.43	551.81	\$1,183.76			
201312	26,846	42,793	2,378,527	1,724	0.97	2,455,508	1,780	54.84	548.73	\$1,199.23			
201401	27,338	44,096	2,682,567	1,872	0.93	2,873,107	2,005	55.97	546.26	\$1,229.55	10.3%	-2.5%	13.2%
201402	26,670	43,171	1,840,173	1,606	0.80	2,300,476	2,008	55.79	547.68	\$1,222.43	8.6%	-2.1%	10.9%
201403	25,831	41,851	897,506	791	0.36	2,507,390	2,226	56.44	554.19	\$1,222.17	9.6%	-0.1%	9.8%
Experience Period													
306,279 486,285 26,452,080 22,066 0.99 26,666,931 22,237													
41334 24,950 39,658 8.6% -1.2% 9.9%													
41518 25,931 41,107 6.8% -2.2% 9.2%													
41609 26,846 42,793 9.2% -1.9% 11.3%													
Avg last 6 months 26,024 41,332 7.4% -1.8% 9.3%													
Selected Pricing Trend												0.0%	9.5%

CareFirst BlueCross BlueShield (BlueChoice)
D.C. Individual Exchange Products - Rates Effective 1/1/2015
BlueChoice D.C. Small Group & Individual Base Experience Medical Professional
Experience Period: Incurred 201301 - 201312, Paid through 201403

						Completed		Rolling 12 PMPM			Rolling 12 Trend						
Month	Contracts	Members	Allowed	Visits	Completion Factor	Allowed	Visits	Allowed	Visits/1000	Unit Cost	Allowed	Visits/1000	Unit Cost				
201104	20,179	32,103	2,962,279	19,737	1.00	2,962,279	19,737										
201105	20,433	32,618	2,968,443	20,067	1.00	2,968,443	20,067										
201106	20,558	32,743	3,153,064	21,062	1.00	3,153,064	21,062										
201107	20,647	32,974	2,825,252	18,748	1.00	2,825,252	18,748										
201108	20,844	33,208	3,303,887	21,082	1.00	3,303,887	21,082										
201109	21,046	33,538	3,149,513	20,235	1.00	3,149,513	20,235										
201110	21,026	33,329	3,190,070	21,049	1.00	3,190,070	21,049										
201111	21,175	33,483	3,345,780	20,599	1.00	3,345,780	20,599										
201112	21,594	34,138	3,200,930	23,280	1.00	3,200,930	23,280										
201201	21,693	34,301	3,659,350	25,226	1.00	3,659,350	25,226										
201202	21,999	34,878	3,593,237	25,758	1.00	3,593,237	25,758										
201203	22,133	35,090	3,903,079	27,604	1.00	3,903,268	27,605							97.55	7,886.07	\$148.44	
201204	22,251	35,294	3,516,381	25,004	1.00	3,516,771	25,007							98.15	7,979.94	\$147.60	
201205	22,108	35,120	3,717,724	26,633	1.00	3,718,587	26,639							99.39	8,124.27	\$146.80	
201206	22,593	35,883	3,536,399	25,593	1.00	3,537,466	25,601							99.56	8,194.68	\$145.80	
201207	22,715	36,080	3,644,796	25,000	1.00	3,645,955	25,008							100.80	8,314.55	\$145.48	
201208	23,030	36,529	3,961,883	27,997	1.00	3,963,343	28,007							101.58	8,447.41	\$144.29	
201209	23,253	36,879	3,519,808	24,315	1.00	3,521,177	24,324							101.65	8,496.93	\$143.56	
201210	23,369	37,068	3,854,898	27,127	1.00	3,856,794	27,140							102.33	8,594.23	\$142.88	
201211	23,881	37,872	3,653,363	26,142	1.00	3,655,661	26,158							102.00	8,661.79	\$141.31	
201212	24,214	38,435	3,558,489	25,381	1.00	3,561,224	25,401							101.82	8,634.63	\$141.51	
201301	24,621	39,171	4,551,786	31,036	1.00	4,556,138	31,066	102.74	8,698.57	\$141.73	5.4%	9.2%	-3.5%				
201302	24,792	39,397	4,185,806	27,985	1.00	4,190,825	28,019	103.04	8,671.06	\$142.60							
201303	24,950	39,658	4,266,243	28,616	1.00	4,272,862	28,660	102.81	8,610.82	\$143.28							
201304	25,094	39,885	4,427,234	31,563	1.00	4,435,952	31,625	103.80	8,699.07	\$143.19							
201305	25,173	39,831	4,438,081	30,662	1.00	4,449,400	30,740	104.33	8,717.09	\$143.62							
201306	25,507	40,354	3,909,764	27,883	1.00	3,921,268	27,965	104.15	8,694.09	\$143.76							
201307	25,551	40,481	4,267,007	30,019	1.00	4,283,097	30,132	104.54	8,743.97	\$143.46							
201308	25,836	40,969	4,208,852	29,923	0.99	4,233,254	30,096	104.12	8,714.70	\$143.38							
201309	25,931	41,107	4,089,600	29,276	0.99	4,122,866	29,515	104.46	8,768.33	\$142.96							
201310	25,875	41,086	4,555,293	33,299	0.99	4,616,848	33,750	105.17	8,860.50	\$142.44							
201311	26,103	41,553	4,020,450	28,522	0.98	4,101,496	29,097	105.30	8,866.01	\$142.52							
201312	26,846	42,793	3,809,789	26,803	0.97	3,933,067	27,670	105.12	8,842.56	\$142.65							
201401	27,338	44,096	4,501,072	30,796	0.93	4,820,608	32,982	104.60	8,800.72	\$142.63	1.8%	1.2%	0.6%				
201402	26,670	43,171	3,625,370	25,744	0.80	4,531,947	32,182	104.49	8,834.54	\$141.93	1.4%	1.9%	-0.5%				
201403	25,831	41,851	2,120,154	15,828	0.35	6,012,520	44,788	107.53	9,184.84	\$140.49	4.6%	6.7%	-1.9%				
Experience Period	306,279	486,285	50,729,905	355,587	0.99	51,117,073	358,334										
41334	24,950	39,658													5.4%	9.2%	-3.5%
41518	25,931	41,107													2.8%	3.2%	-0.4%
41609	26,846	42,793													3.2%	2.4%	0.8%
Avg last 6 months	26,024	41,332													3.0%	3.2%	-0.2%
Selected Pricing Trend															4.5%	0.0%	

CareFirst BlueCross BlueShield (BlueChoice)
D.C. Individual Exchange Products - Rates Effective 1/1/2015
BlueChoice D.C. Small Group & Individual Base Experience Medical Other
Experience Period: Incurred 201301 - 201312, Paid through 201403

Month	Contracts	Members	Allowed	Services	Completion Factor	Completed		Rolling 12 PMPM			Rolling 12 Trend		
						Allowed	Services	Allowed	Services/1000	Unit Cost	Allowed	Services/1000	Unit Cost
201104	20,179	32,103	383,798	1,617	1.00	383,798	1,617						
201105	20,433	32,618	370,204	1,673	1.00	370,204	1,673						
201106	20,558	32,743	353,452	1,593	1.00	353,452	1,593						
201107	20,647	32,974	369,382	1,597	1.00	369,382	1,597						
201108	20,844	33,208	352,779	1,455	1.00	352,779	1,455						
201109	21,046	33,538	380,151	1,607	1.00	380,151	1,607						
201110	21,026	33,329	425,463	1,457	1.00	425,463	1,457						
201111	21,175	33,483	383,726	1,577	1.00	383,726	1,577						
201112	21,594	34,138	392,715	1,623	1.00	392,715	1,623						
201201	21,693	34,301	389,297	1,708	1.00	389,297	1,708						
201202	21,999	34,878	376,517	1,729	1.00	376,517	1,729						
201203	22,133	35,090	480,403	1,755	1.00	480,425	1,755	11.58	578.26	\$240.21			
201204	22,251	35,294	438,680	1,715	1.00	438,727	1,715	11.62	576.61	\$241.82			
201205	22,108	35,120	429,564	1,738	1.00	429,660	1,738	11.69	575.00	\$244.05			
201206	22,593	35,883	394,762	1,666	1.00	394,886	1,667	11.71	572.76	\$245.25			
201207	22,715	36,080	428,442	1,633	1.00	428,579	1,634	11.76	569.52	\$247.80			
201208	23,030	36,529	409,873	1,669	1.00	410,025	1,670	11.80	571.16	\$248.00			
201209	23,253	36,879	446,231	1,807	1.00	446,405	1,808	11.87	572.35	\$248.82			
201210	23,369	37,068	500,807	2,049	1.00	501,037	2,050	11.94	584.06	\$245.34			
201211	23,881	37,872	510,602	1,939	1.00	510,906	1,940	12.12	588.24	\$247.15			
201212	24,214	38,435	423,258	1,694	1.00	423,580	1,695	12.07	584.41	\$247.77			
201301	24,621	39,171	580,295	2,275	1.00	580,856	2,277	12.37	593.50	\$250.10			
201302	24,792	39,397	593,058	2,014	1.00	593,785	2,016	12.73	595.23	\$256.72			
201303	24,950	39,658	510,223	1,977	1.00	511,020	1,980	12.67	595.18	\$255.50	9.5%	2.9%	6.4%
201304	25,094	39,885	439,716	2,152	1.00	440,606	2,156	12.55	600.84	\$250.61	8.0%	4.2%	3.6%
201305	25,173	39,831	497,107	2,134	1.00	498,416	2,139	12.57	605.17	\$249.23	7.5%	5.2%	2.1%
201306	25,507	40,354	483,564	2,118	1.00	484,981	2,124	12.64	611.21	\$248.21	8.0%	6.7%	1.2%
201307	25,551	40,481	556,686	2,146	1.00	558,945	2,154	12.80	618.83	\$248.27	8.9%	8.7%	0.2%
201308	25,836	40,969	514,684	2,321	0.99	517,696	2,334	12.91	629.95	\$245.95	9.4%	10.3%	-0.8%
201309	25,931	41,107	519,572	2,065	0.99	523,857	2,081	12.96	631.25	\$246.35	9.2%	10.3%	-1.0%
201310	25,875	41,086	575,930	2,280	0.99	583,790	2,311	13.02	632.49	\$247.09	9.1%	8.3%	0.7%
201311	26,103	41,553	452,734	1,898	0.98	461,863	1,936	12.82	627.55	\$245.19	5.8%	6.7%	-0.8%
201312	26,846	42,793	478,163	1,782	0.97	493,713	1,839	12.85	625.49	\$246.56	6.5%	7.0%	-0.5%
201401	27,338	44,096	441,306	1,748	0.93	472,693	1,873	12.50	609.33	\$246.22	1.1%	2.7%	-1.6%
201402	26,670	43,171	374,320	1,603	0.80	467,591	2,004	12.15	604.40	\$241.28	-4.6%	1.5%	-6.0%
201403	25,831	41,851	237,944	921	0.35	682,567	2,559	12.44	615.71	\$242.53	-1.8%	3.4%	-5.1%
Experience Period	306,279	486,285	6,201,731	25,162	0.99	6,249,527	25,347						
41334	24,950	39,658									9.5%	2.9%	6.4%
41518	25,931	41,107									9.2%	10.3%	-1.0%
41609	26,846	42,793									6.5%	7.0%	-0.5%
Avg last 6 months	26,024	41,332									8.1%	8.5%	-0.4%
Selected Pricing Trend												6.0%	0.0%

CareFirst BlueCross BlueShield (BlueChoice)
D.C. Individual Exchange Products - Rates Effective 1/1/2015
BlueChoice D.C. Small Group & Individual Base Experience Rx
Experience Period: Incurred 201301 - 201312, Paid through 201403

						Completed		Rolling 12 PMPM			Rolling 12 Trend					
Month	Contracts	Members	Allowed	Scripts	Completion Factor	Allowed	Scripts	Allowed	Scripts/1000	Unit Cost	Allowed	Scripts/1000	Unit Cost			
201104	20,179	32,103	2,145,050	21,363	1.00	2,145,050	21,363									
201105	20,433	32,618	2,371,440	22,271	1.00	2,371,440	22,271									
201106	20,558	32,743	2,249,377	22,317	1.00	2,249,377	22,317									
201107	20,647	32,974	2,347,543	21,273	1.00	2,347,543	21,273									
201108	20,844	33,208	2,583,537	22,382	1.00	2,583,537	22,382									
201109	21,046	33,538	2,430,947	21,914	1.00	2,430,947	21,914									
201110	21,026	33,329	2,490,040	22,649	1.00	2,490,040	22,649									
201111	21,175	33,483	2,622,628	22,811	1.00	2,622,628	22,811									
201112	21,594	34,138	2,558,815	23,792	1.00	2,558,815	23,792									
201201	21,693	34,301	2,659,358	24,534	1.00	2,659,358	24,534									
201202	21,999	34,878	2,627,312	23,775	1.00	2,627,312	23,775									
201203	22,133	35,090	2,796,623	25,571	1.00	2,796,623	25,571							74.26	8,190.36	\$108.80
201204	22,251	35,294	2,696,245	24,500	1.00	2,696,245	24,500							75.04	8,218.73	\$109.56
201205	22,108	35,120	2,791,942	25,258	1.00	2,791,942	25,258							75.61	8,256.18	\$109.89
201206	22,593	35,883	2,627,755	23,823	1.00	2,627,755	23,823							75.95	8,237.08	\$110.64
201207	22,715	36,080	2,713,354	24,581	1.00	2,713,354	24,581							76.26	8,271.14	\$110.64
201208	23,030	36,529	2,768,769	25,295	1.00	2,768,769	25,295							76.10	8,289.07	\$110.17
201209	23,253	36,879	2,579,931	23,787	1.00	2,579,931	23,787							75.85	8,276.67	\$109.97
201210	23,369	37,068	2,804,508	25,700	1.00	2,804,508	25,700							75.92	8,290.01	\$109.90
201211	23,881	37,872	2,915,072	25,985	1.00	2,915,072	25,985							75.83	8,293.98	\$109.71
201212	24,214	38,435	2,811,300	26,545	1.00	2,811,300	26,545							75.66	8,287.97	\$109.54
201301	24,621	39,171	3,252,285	29,079	1.00	3,252,285	29,079	76.17	8,320.32	\$109.86	2.4%	0.9%	1.5%			
201302	24,792	39,397	2,909,926	26,209	1.00	2,909,926	26,209	76.03	8,301.37	\$109.91						
201303	24,950	39,658	3,149,669	27,338	1.00	3,149,669	27,338	76.04	8,264.00	\$110.42						
201304	25,094	39,885	3,104,064	28,324	1.00	3,104,064	28,324	76.17	8,281.59	\$110.37						
201305	25,173	39,831	3,418,273	28,435	1.00	3,418,273	28,435	76.76	8,279.64	\$111.25						
201306	25,507	40,354	3,109,552	26,764	1.00	3,109,552	26,764	77.06	8,275.90	\$111.74						
201307	25,551	40,481	3,330,935	28,002	1.00	3,330,935	28,002	77.66	8,285.84	\$112.47						
201308	25,836	40,969	3,456,548	27,527	1.00	3,456,548	27,527	78.39	8,264.55	\$113.82						
201309	25,931	41,107	3,245,252	26,683	1.00	3,245,252	26,683	79.09	8,264.15	\$114.85						
201310	25,875	41,086	3,617,879	28,551	1.00	3,617,879	28,551	80.13	8,266.26	\$116.32						
201311	26,103	41,553	3,439,482	27,245	1.00	3,439,482	27,245	80.60	8,234.49	\$117.46						
201312	26,846	42,793	3,704,278	28,821	1.00	3,704,278	28,821	81.72	8,216.86	\$119.34						
201401	27,338	44,096	3,200,129	28,559	1.00	3,200,129	28,559	80.79	8,121.77	\$119.37	6.1%	-2.4%	8.7%			
201402	26,670	43,171	2,962,777	26,058	1.00	2,962,777	26,058	80.28	8,056.19	\$119.58	5.6%	-3.0%	8.8%			
201403	25,831	41,851	3,479,718	28,851	1.00	3,479,718	28,851	80.59	8,057.17	\$120.03	6.0%	-2.5%	8.7%			
Experience Period	306,279	486,285	39,738,141	332,978	1.00	39,738,141	332,978									
41334	24,950	39,658										2.4%	0.9%	1.5%		
41518	25,931	41,107										4.3%	-0.2%	4.4%		
41609	26,846	42,793										8.0%	-0.9%	8.9%		
Avg last 6 months	26,024	41,332										4.8%	-0.4%	5.2%		
Selected Pricing Trend												1.0%	7.0%			

CareFirst BlueCross BlueShield (BlueChoice)
D.C. Individual Exchange Products - Rates Effective 1/1/2015
BlueChoice D.C. Small Group & Individual Base Experience Medical and Rx Total
Experience Period: Incurred 201301 - 201312, Paid through 201403

Month	Contracts	Members	Allowed	Completion Factor	Completed	Rolling 12 PMPM	Rolling 12 Trend
					Allowed	Allowed	Allowed
201104	20,179	32,103	8,393,779	1.00	8,393,779		
201105	20,433	32,618	9,911,507	1.00	9,911,507		
201106	20,558	32,743	8,792,930	1.00	8,792,930		
201107	20,647	32,974	8,362,561	1.00	8,362,561		
201108	20,844	33,208	9,730,367	1.00	9,730,367		
201109	21,046	33,538	9,606,650	1.00	9,606,650		
201110	21,026	33,329	9,246,249	1.00	9,246,249		
201111	21,175	33,483	10,023,690	1.00	10,023,690		
201112	21,594	34,138	9,422,224	1.00	9,422,224		
201201	21,693	34,301	10,284,422	1.00	10,284,422		
201202	21,999	34,878	10,981,316	1.00	10,981,316		
201203	22,133	35,090	11,297,535	1.00	11,297,944	288.40	
201204	22,251	35,294	9,810,640	1.00	9,811,419	289.63	
201205	22,108	35,120	10,476,077	1.00	10,477,865	289.24	
201206	22,593	35,883	10,169,061	1.00	10,171,340	290.38	3.1%
201207	22,715	36,080	10,841,164	1.00	10,843,717	294.19	6.8%
201208	23,030	36,529	11,037,611	1.00	11,040,651	294.99	8.7%
201209	23,253	36,879	10,326,641	1.00	10,329,649	294.37	5.9%
201210	23,369	37,068	11,462,710	1.00	11,466,909	297.01	4.1%
201211	23,881	37,872	10,190,672	1.00	10,195,217	294.37	-0.6%
201212	24,214	38,435	10,357,405	1.00	10,363,164	293.62	-0.6%
201301	24,621	39,171	12,720,939	1.00	12,730,015	295.94	-1.2%
201302	24,792	39,397	11,739,958	1.00	11,750,649	294.66	0.3%
201303	24,950	39,658	13,955,026	1.00	13,971,502	297.62	3.2%
201304	25,094	39,885	12,910,982	1.00	12,930,188	301.50	4.1%
201305	25,173	39,831	13,087,296	1.00	13,112,068	304.16	5.2%
201306	25,507	40,354	11,316,059	1.00	11,340,059	303.74	4.6%
201307	25,551	40,481	13,826,206	1.00	13,865,282	307.36	4.5%
201308	25,836	40,969	12,707,649	1.00	12,761,199	308.12	4.4%
201309	25,931	41,107	12,352,388	0.99	12,425,946	309.79	5.2%
201310	25,875	41,086	13,188,057	0.99	13,317,643	311.06	4.7%
201311	26,103	41,553	12,201,777	0.99	12,379,014	313.21	6.4%
201312	26,846	42,793	12,265,685	0.98	12,542,580	314.89	7.2%
201401	27,338	44,096	13,180,367	0.95	13,889,358	314.09	6.1%
201402	26,670	43,171	10,376,877	0.85	12,229,659	312.67	6.1%
201403	25,831	41,851	7,292,726	0.51	14,215,201	311.78	4.8%

Experience Period **306,279** **486,285** **152,272,023** **0.99** **153,126,148**

41334	24,950	39,658		3.2%
41518	25,931	41,107		5.2%
41609	26,846	42,793		7.2%
Avg last 6 months	26,024	41,332		5.4%

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015

DC Combined - Small Group & Individual Capitations

<u>Description</u>	<u>1/1/13 PMPM</u>	<u>1/1/14 PMPM</u>	<u>Δ</u>
Mental Health UR	\$0.91	\$0.94	3.3%
Nurse Hotline	\$0.04	\$0.04	0.0%
Wellness*	\$0.21	\$0.21	0.0%
Vision	\$0.45	\$0.46	2.1%
TOTAL:	\$1.61	\$1.65	2.4%

*The total Capitation for Wellness is \$0.26, but only applies to members age 18+.

**BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)**

**D.C. Individual Exchange Products
Rates Effective 1/1/2015**

Actuarial Value Calculations

BlueChoice, Inc.
d.b.a. CareFirst BlueCross BlueShield
(NAIC # 96202)
D.C. Individual Exchange Products
Actuarial Value Calculations
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Rates Effective 1/1/2015

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BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice HSA Bronze \$4000

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Bronze

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$4,000.00
Coinsurance (%; Insurer's Cost Share)		70.00%
OOP Maximum (\$)		\$6,350.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N		\$30.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N		\$30.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y	80%					
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	50%					
Specialty Drugs (i.e. high-cost)	Y	Y	50%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 60.1%
 Metal Tier: Bronze

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice HSA Bronze \$6000

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Bronze

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$6,000.00
Coinsurance (%; Insurer's Cost Share)		99.99%
OOP Maximum (\$)		\$6,000.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	Y						
Specialist Visit	Y	Y						
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	Y						
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	Y						
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	Y						
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y						
Preferred Brand Drugs	Y	Y						
Non-Preferred Brand Drugs	Y	Y						
Specialty Drugs (i.e. high-cost)	Y	Y						

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 59.2%
 Metal Tier: Bronze

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Plus Bronze \$5500

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Bronze

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)			\$5,500.00
Coinsurance (%; Insurer's Cost Share)			80.00%
OOP Maximum (\$)			\$6,350.00
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
	Medical	Drug

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$35.00				
Specialist Visit	Y	N		\$45.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$35.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$45.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$45.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 61.5%
 Metal Tier: Bronze

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice HSA Silver \$1300

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
		\$1,300.00
		80.00%
		\$6,350.00

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N		\$30.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N		\$30.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y	80%					
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	50%					
Specialty Drugs (i.e. high-cost)	Y	Y	50%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 69.6%
 Metal Tier: Silver

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice HSA Silver 133%-150% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Platinum

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00
Coinsurance (%; Insurer's Cost Share)	90.00%	90.00%
OOP Maximum (\$)	\$2,250.00	
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N						
Specialist Visit	Y	N		\$10.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N						
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$10.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$10.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y	100%					
Preferred Brand Drugs	Y	Y	90%					
Non-Preferred Brand Drugs	Y	Y	80%					
Specialty Drugs (i.e. high-cost)	Y	Y	80%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 94% (100-150% FPL), Calculation Successful.
 Actuarial Value: 93.2%
 Metal Tier: Platinum

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice HSA Silver 150%-200% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Gold

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00	
Coinsurance (%; Insurer's Cost Share)	80.00%	80.00%	
OOP Maximum (\$)	\$2,250.00		
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N		\$5.00				
Specialist Visit	Y	N		\$25.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N		\$5.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$25.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$25.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y	85%					
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	50%					
Specialty Drugs (i.e. high-cost)	Y	Y	50%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 87% (150-200% FPL), Calculation Successful.
 Actuarial Value: 87.9%
 Metal Tier: Gold

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice HSA Silver 200%-250% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization: 2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$900.00
Coinsurance (%; Insurer's Cost Share)		80.00%
OOP Maximum (\$)		\$5,200.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N		\$30.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N		\$30.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y	80%					
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	50%					
Specialty Drugs (i.e. high-cost)	Y	Y	50%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 73% (200-250% FPL), Calculation Successful.
 Actuarial Value: 73.5%
 Metal Tier: Silver

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Plus Silver \$2500

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)	\$2,500.00	\$400.00	
Coinsurance (%; Insurer's Cost Share)	80.00%	80.00%	
OOP Maximum (\$)	\$6,350.00		
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$20.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$20.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 70.2%
 Metal Tier: Silver

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Plus Silver 133%-150% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Platinum

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00
Coinsurance (%; Insurer's Cost Share)	90.00%	90.00%
OOP Maximum (\$)		\$2,250.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N	100%					
Specialist Visit	Y	N		\$5.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N	100%					
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$5.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$5.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N						
Preferred Brand Drugs	Y	Y	90%					
Non-Preferred Brand Drugs	Y	Y	80%					
Specialty Drugs (i.e. high-cost)	Y	Y	80%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 94% (100-150% FPL), Calculation Successful.
 Actuarial Value: 93.7%
 Metal Tier: Platinum

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Plus Silver 150%-200% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Gold

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00
Coinsurance (%; Insurer's Cost Share)	80.00%	70.00%
OOP Maximum (\$)	\$2,250.00	
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$10.00				
Specialist Visit	Y	N		\$25.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$10.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$25.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$25.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$5.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 87% (150-200% FPL), Calculation Successful.
 Actuarial Value: 87.86%
 Metal Tier: Gold

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Plus Silver 200%-250% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)	\$1,600.00	\$400.00	
Coinsurance (%; Insurer's Cost Share)	80.00%	80.00%	
OOP Maximum (\$)	\$5,200.00		
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$20.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$20.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 73% (200-250% FPL), Calculation Successful.
 Actuarial Value: 73.9%
 Metal Tier: Silver

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Silver \$2000

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$2,000.00
Coinsurance (%; Insurer's Cost Share)		80.00%
OOP Maximum (\$)		\$6,350.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$30.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$30.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 69.0%
 Metal Tier: Silver

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Silver 133%-150% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Platinum

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00
Coinsurance (%; Insurer's Cost Share)	90.00%	90.00%
OOP Maximum (\$)	\$2,250.00	
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N						
Specialist Visit	Y	N		\$10.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N						
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$10.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$10.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	N						
Preferred Brand Drugs	Y	Y	90%					
Non-Preferred Brand Drugs	Y	Y	80%					
Specialty Drugs (i.e. high-cost)	Y	Y	80%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 94% (100-150% FPL), Calculation Successful.
 Actuarial Value: 93.2%
 Metal Tier: Platinum

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Silver 150%-200% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Gold

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00	
Coinsurance (%; Insurer's Cost Share)	80.00%	80.00%	
OOP Maximum (\$)	\$2,250.00		
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N		\$10.00				
Specialist Visit	Y	N		\$20.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N		\$10.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$20.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$20.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 87% (150-200% FPL), Calculation Successful.
 Actuarial Value: 87.7%
 Metal Tier: Gold

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Silver 200%-250% FPL

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? Y
 Desired Metal Tier Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$1,400.00
Coinsurance (%; Insurer's Cost Share)		80.00%
OOP Maximum (\$)		\$5,200.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$30.00				
Specialist Visit	Y	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$30.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: CSR Level of 73% (200-250% FPL), Calculation Successful.
 Actuarial Value: 72.8%
 Metal Tier: Silver

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Gold \$0

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Gold

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00	
Coinsurance (%; Insurer's Cost Share)	70.00%	70.00%	
OOP Maximum (\$)	\$6,350.00		
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N		\$20.00				
Specialist Visit	Y	N		\$30.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N		\$20.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$30.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$30.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	Y	Y	80%					
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	50%					
Specialty Drugs (i.e. high-cost)	Y	Y	50%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 79.3%
 Metal Tier: Gold

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
BlueChoice Gold \$1000

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? Y
 Apply Inpatient Copay per Day? N
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Gold

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
		\$1,000.00
		90.00%
		\$3,750.00

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	Y						
All Inpatient Hospital Services (inc. MHSA)	Y	Y						
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N		\$20.00				
Specialist Visit	Y	N		\$30.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N		\$20.00				
Imaging (CT/PET Scans, MRIs)	Y	Y						
Rehabilitative Speech Therapy	Y	N		\$30.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$30.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	Y						
X-rays and Diagnostic Imaging	Y	Y						
Skilled Nursing Facility	Y	Y						
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y						
Outpatient Surgery Physician/Surgical Services	Y	Y						
Drugs								
Generics	N	N		\$10.00				
Preferred Brand Drugs	Y	Y	70%					
Non-Preferred Brand Drugs	Y	Y	60%					
Specialty Drugs (i.e. high-cost)	Y	Y	60%					

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 78.3%
 Metal Tier: Gold

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
HealthyBlue Gold \$1500

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? Y
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Gold

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			
	Medical	Drug	Combined
Deductible (\$)	\$1,500.00	\$400.00	
Coinsurance (% , Insurer's Cost Share)	100.00%	100.00%	
OOP Maximum (\$)	\$3,450.00		
OOP Maximum if Separate (\$)			

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	N	N		\$200.00				
All Inpatient Hospital Services (inc. MHSA)	Y	N		\$450.00				
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	N	N						
Specialist Visit	N	N		\$40.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	N	N						
Imaging (CT/PET Scans, MRIs)	N	N						
Rehabilitative Speech Therapy	N	N		\$40.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	N	N		\$40.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	N	N						
X-rays and Diagnostic Imaging	N	N						
Skilled Nursing Facility	Y	N		\$40.00				
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y	90%					
Outpatient Surgery Physician/Surgical Services	Y	Y	83%					
Drugs								
Generics	N	N						
Preferred Brand Drugs	Y	N		\$45.00				
Non-Preferred Brand Drugs	Y	N		\$200.00				
Specialty Drugs (i.e. high-cost)	Y	N		\$200.00				

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 82.0%
 Metal Tier: Gold

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

BlueChoice, Inc.
D.C. Individual Exchange Products Rates Effective 1/1/2015
HealthyBlue Platinum \$0

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? N
 Apply Inpatient Copay per Day? Y
 Apply Skilled Nursing Facility Copay per Day? N
 Use Separate OOP Maximum for Medical and Drug Spending? N
 Indicate if Plan Meets CSR Standard? N
 Desired Metal Tier Platinum

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	N	Blended Network/POS Plan?	N
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)	\$0.00	\$0.00
Coinsurance (%; Insurer's Cost Share)	100.00%	100.00%
OOP Maximum (\$)	\$2,000.00	
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical								
Emergency Room Services	Y	N		\$200.00				
All Inpatient Hospital Services (inc. MHSA)	Y	N		\$150.00				
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	Y	N						
Specialist Visit	Y	N		\$30.00				
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	Y	N						
Imaging (CT/PET Scans, MRIs)	Y	N						
Rehabilitative Speech Therapy	Y	N		\$30.00				
Rehabilitative Occupational and Rehabilitative Physical Therapy	Y	N		\$30.00				
Preventive Care/Screening/Immunization	N	N	100%	\$0.00				
Laboratory Outpatient and Professional Services	Y	N						
X-rays and Diagnostic Imaging	Y	N						
Skilled Nursing Facility	Y	N		\$30.00				
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Y	Y	91%					
Outpatient Surgery Physician/Surgical Services	Y	Y	85%					
Drugs								
Generics	Y	N						
Preferred Brand Drugs	Y	N		\$45.00				
Non-Preferred Brand Drugs	Y	N		\$100.00				
Specialty Drugs (i.e. high-cost)	Y	N		\$200.00				

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	N
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	N
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	N
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	N
# Copays (1-10):	

Output

Status/Error Messages: Calculation Successful.
 Actuarial Value: 89.8%
 Metal Tier: Platinum

*"Y" means the checkbox was checked, "N" means the checkbox was left unchecked.

Rate Filing Justification Part II (Plain Language Summary)

Pursuant to 45 CFR 154.215, health insurance issuers are required to file Rate Filing Justifications. Part II of the Rate Filing Justification for rate increases and new submissions must contain a written description that includes a simple and brief narrative describing the data and assumptions that were used to develop the proposed rates. The Part II template below must be filled out and uploaded as an Adobe PDF or Microsoft Word file.

Name of Company BlueChoice, Inc.

SERFF tracking number CFAP-129554176

Submission Date 06/13/2014

Product Name BlueChoice, BlueChoice HSA, BlueChoice Plus & HealthyBlue

Market Type (Individual/Small Group) Individual

Rate Filing Type (Rate Increase / New Filing) Rate Increase

Scope and Range of the Increase:

The 13.4% increase is requested because:

of reduced reinsurance recoveries, an increase in taxes and fees, and projected increases in medical and prescription drug costs

This filing will impact:

of D.C. policyholders 9,975 # of D.C. covered lives 17,955

The average, minimum, and maximum rate changes increases are:

- Average Rate Change: The average premium change, by percentage, across all policy holders if the filing is approved 13.4 %
- Minimum Rate Change: The smallest premium increase (or largest decrease), by percentage, that any one policy holder would experience if the filing is approved 2.8 %
- Maximum Rate Change: The largest premium increase, by percentage, that any one policy holder would experience if the filing is approved 24.1 %

Individuals within the group may vary from the aggregate of the above increase components as a result of:

product selection, changes in age factors, and changes in family composition.

Financial Experience of Product

The overall financial experience of the product includes:

Since these products were new effective 1/1/2014, no historical financial experience is included in this filing.

The rate increase will affect the projected financial experience of the product by:

 n/a

Components of Increase

The request is made up of the following components:

Trend Increases – -1.0 % of the 12.1 % total filed increase

1. Medical Utilization Changes – Defined as the increase in total plan claim costs not attributable to changes in the unit cost of underlying services, or renegotiation of provider contracts. Examples include changes in the mix of services utilized, or an increase/decrease in the frequency of service utilization.

This component is -0.3 % of the 12.1 % total filed increase.

2. Medical Price Changes – Defined as the increase in total plan claim costs attributable to changes in the unit cost of underlying services, or renegotiation of provider contracts.

This component is -0.7 % of the 12.1 % total filed increase.

Other Increases – 14.5 % of the 12.1 % total filed increase

1. Medical Benefit Changes Required by Law – Defined as any new mandated plan benefit changes, as mandated by either State or Federal Regulation.

This component is 1.0 % of the 12.1 % total filed increase.

2. Medical Benefit Changes Not Required by Law – Defined as changes in plan benefit design made by the company, which are not required by either State or Federal Regulation.

This component is 1.4 % of the 12.1 % total filed increase.

3. Changes to Administration Costs – Defined as increases in the costs of providing insurance coverage. Examples include claims payment expenses, distribution costs, taxes, and general business expenses such as rent, salaries, and overhead.

This component is -2.6 % of the 12.1 % total filed increase.

4. Changes to Profit Margin – Defined as increases to company surplus or changes as an additional margin to cover the risk of the company.

This component is 0.0 % of the 12.1 % total filed increase.

5. Other – Defined as:

Items included in this category include ACA related fees and taxes, assessment fees, and changes in assumed reinsurance recoveries

This component is 14.7 % of the 12.1 % total filed increase.

Rate Filing Justification Part II (Plain Language Summary)

Pursuant to 45 CFR 154.215, health insurance issuers are required to file Rate Filing Justifications. Part II of the Rate Filing Justification for rate increases and new submissions must contain a written description that includes a simple and brief narrative describing the data and assumptions that were used to develop the proposed rates. The Part II template below must be filled out and uploaded as an Adobe PDF or Microsoft Word file.

Name of Company BlueChoice, Inc.

SERFF tracking number CFAP-129554176

Submission Date 06/13/2014

Product Name BlueChoice, BlueChoice HSA, BlueChoice Plus & HealthyBlue

Market Type (Individual/Small Group) Individual

Rate Filing Type (Rate Increase / New Filing) Rate Increase

Scope and Range of the Increase:

The 13.4% increase is requested because:

of reduced reinsurance recoveries, an increase in taxes and fees, and projected increases in medical and prescription drug costs

This filing will impact:

of D.C. policyholders 9,975 # of D.C. covered lives 17,955

The average, minimum, and maximum rate changes increases are:

- Average Rate Change: The average premium change, by percentage, across all policy holders if the filing is approved 13.4 %
- Minimum Rate Change: The smallest premium increase (or largest decrease), by percentage, that any one policy holder would experience if the filing is approved 2.8 %
- Maximum Rate Change: The largest premium increase, by percentage, that any one policy holder would experience if the filing is approved 24.1 %

Individuals within the group may vary from the aggregate of the above increase components as a result of:

product selection, changes in age factors, and changes in family composition.

Financial Experience of Product

The overall financial experience of the product includes:

Since these products were new effective 1/1/2014, no historical financial experience is included in this filing.

The rate increase will affect the projected financial experience of the product by:

 n/a

Components of Increase

The request is made up of the following components:

Trend Increases – -1.0 % of the 12.1 % total filed increase

1. Medical Utilization Changes – Defined as the increase in total plan claim costs not attributable to changes in the unit cost of underlying services, or renegotiation of provider contracts. Examples include changes in the mix of services utilized, or an increase/decrease in the frequency of service utilization.

This component is -0.3 % of the 12.1 % total filed increase.

2. Medical Price Changes – Defined as the increase in total plan claim costs attributable to changes in the unit cost of underlying services, or renegotiation of provider contracts.

This component is -0.7 % of the 12.1 % total filed increase.

Other Increases – 14.5 % of the 12.1 % total filed increase

1. Medical Benefit Changes Required by Law – Defined as any new mandated plan benefit changes, as mandated by either State or Federal Regulation.

This component is 1.0 % of the 12.1 % total filed increase.

2. Medical Benefit Changes Not Required by Law – Defined as changes in plan benefit design made by the company, which are not required by either State or Federal Regulation.

This component is 1.4 % of the 12.1 % total filed increase.

3. Changes to Administration Costs – Defined as increases in the costs of providing insurance coverage. Examples include claims payment expenses, distribution costs, taxes, and general business expenses such as rent, salaries, and overhead.

This component is -2.6 % of the 12.1 % total filed increase.

4. Changes to Profit Margin – Defined as increases to company surplus or changes as an additional margin to cover the risk of the company.

This component is 0.0 % of the 12.1 % total filed increase.

5. Other – Defined as:

Items included in this category include ACA related fees and taxes, assessment fees, and changes in assumed reinsurance recoveries

This component is 14.7 % of the 12.1 % total filed increase.